

RE: Written Testimony and Objection to LD 1467

Dear Honorable Members of the Committee,

The Auto Care Association respectfully opposes LD 1467. The Auto Care Association is a national trade organization comprised of more than 3000-member companies and affiliates that manufacture, distribute, and sell aftermarket motor vehicle parts, accessories, services, tools, equipment, materials, and supplies. The Auto Care Association is the voice of the auto care industry – a \$516 billion plus industry comprised of more than 4.7 million American professionals. In Maine, our industry includes 8,361 jobs, generates \$2.9 billion in economic activity, and provides \$581.7 million in wages.

LD 1467 imposes new statutory liability on independent shops for repairing Maine citizens' vehicles. Such risk and potential liability could drive independent shops out of business and drive all vehicle repair to dealerships. This is not what Maine citizens want. Today, the aftermarket and independent shops perform approximately 70% of post warranty repairs at on average 36% less cost. When they have a choice, vehicle owners choose independent shops.

Moreover, to the extent this bill addresses a problem (which it doesn't), it would be a very small problem. Most owners take their vehicles to the dealership during the warranty period because the repairs are usually covered by the warranty. It would likely be in the case of emergency or inaccessibility that an owner would use an independent shop during a warranty period. In that case, why would the Maine legislature want to make it more difficult for a driver to get their car repaired? This is particularly true when that same owner is far more likely to use that same shop post-warranty period than return to the dealer.

Last, if an independent shop performs negligent repairs, there are already common law claims to pursue a remedy. These common law claims are available whether repairs are done by a dealer or by an independent shop. There is no reason to impose an additional level of liability on independent shops other than to increase their cost of doing business to the detriment of Maine citizens and the benefit of the dealerships.

In conclusion, we respectfully request that the Committee vote no on LD 1467.

Sincerely,

Lisa Foshee

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SVP – Government Affairs and General Counsel