



Mike Tipping
Senator, District 8

THE MAINE SENATE
132nd Legislature

3 State House Station
Augusta, Maine 04333

Senator Bailey, Representative Mathieson and members of the Health Coverage, Insurance and Financial Services Committee,

My name is Mike Tipping, I represent Senate District 8 in Penobscot County and I'm proud to present LD 1300, An Act to Strengthen Maine's Implied Warranty Laws.

I have always been a fan of Maine's implied warranty law, which guarantees that if a product breaks during normal use before the end of its regular useful life, generally a maximum of four years, that item will be repaired or replaced for free by either the manufacturer or the retailer.

It's one of the strongest consumer protection laws in the country and it's an important bulwark against designed obsolescence - the practice of making sure products break earlier so consumers have to pay to replace them more often.

The implied warranty law protects consumers, saves Mainers money, and prevents unnecessary environmental impact and extra waste in our landfills.

So what's the problem? As more and more Mainers buy products online, some large online retailers are refusing to honor Maine's implied warranty law. When Mainers attempt to return a defective item, they may tell them that isn't an option, or even that Maine's laws don't apply to them, despite selling products in our state. I've heard about this issue from constituents and I've experienced it myself.

Many Mainers, even if they know about the warranty law, are likely to give up rather than pursue a claim all the way up the chain of customer service representatives. For a relatively inexpensive item, it's probably literally not worth the time they would have to spend.

I believe we should do more to assert our state sovereignty and the rule of law with these large, online retailers and make it easier for Mainers to assert their rights. The bill before us proposes two relatively straightforward steps. The first requires the office of the Attorney General to regularly notify online retailers who remit more than \$10,000 in state sales taxes of the existence of Maine's law and their expected compliance. The second requires the creation of an online form where Mainers could make a claim against a retailer under the implied warranty law that would be sent to the retailer by the AG's office on the individual's behalf.

I've been discussing this issue with staff at the Attorney General's office for years, but since the printing of this bill I've learned more about some specific, relevant practices of the office. I learned that they actually recently sent a reminder of Maine's law to all companies about which

there had been complaints of non-compliance, which they believe likely included the companies covered in this bill. This kind of targeted notice might be a more straightforward way of accomplishing the intent of notification without the need to request any tax records. This currently apparently happens irregularly and one step that the committee could take with this legislation is to require that it be done on a yearly basis.

There is also currently a process where Mainers can access a PDF form on the Attorney General's website that they can print out and send to a retailer, and a general complaint form they can fill out to contact that office. It's not specific to the implied warranty law, is long and complex, and when filled out still requires some back and forth with the office before a claim is sent to a retailer.

I believe we can make this process more straightforward and better protect the rights of all Maine people. I appreciate your consideration of this bill.