



Cameron Reny
Senator, District 13

THE MAINE SENATE
132nd Legislature

3 State House Station
Augusta, Maine 04333

Testimony of Sen. Cameron Reny introducing
**LD 1296, "An Act to Amend the Law Governing Watercraft Franchisor
Warranty Reimbursements"**
before the Joint Standing Committee on Housing and Economic Development
Friday, May 2, 2025

Senator Curry, Representative Gere, and honorable members of this Joint Standing Committee on Housing and Economic Development, I am Senator Cameron Reny and I represent District 13, which includes most of Lincoln County and the towns of Washington and Windsor. Today I am here to introduce LD 1296 "An Act to Amend the Law Governing Watercraft Franchisor Warranty Reimbursements."

Maine is a maritime state. I represent one of many districts surrounded by water. The oceans, rivers, and lakes of our State keep us alive, both economically (through tourism and boatbuilding), and literally (through fishing and aquaculture).

Maine's boatyards and marinas connect our people to this essential resource. This industry ensures that recreational boaters can enjoy a safe day on the water, and that those who rely on our waters to earn a living can count on the boats and engines that power their businesses.

Running a boat business in a state where the water can stay frozen and unfriendly until mid-April is not easy. But, like all Mainers, these family-owned companies adapt to the extreme seasonality through the part of their business that can keep their mechanics busy year-round. Engine sales and service are a critical component to ensure the year-round viability of these small businesses. Our dealers earn a living by providing both parts and labor to service these engines.

Maine has several laws protecting dealers of a broad array of goods including cars, snowmobiles, and farm equipment. Among other things, these laws require that a dealer be reimbursed at the full price for the parts and labor provided by that dealer to service an item under warranty. Without these laws, Maine dealers, who tend to be small businesses, would not stand a chance in negotiating with their multi-national corporate counterparts.

According to industry statistics, approximately 80% of the boats sold in Maine are equipped with an outboard motor. At one time, there were as many as 20 outboard motor manufacturers. Today, the bulk of the market is served by just 4 companies. Of those, only two companies share most of the market. This recent consolidation has given outboard engine manufacturers significantly more leverage over their dealers and has led those manufacturers to push the limits of the dealer protections afforded by Maine law.

Current statute provides that a dealer is to be reimbursed at full retail for any parts and labor provided by the dealer to fulfill a manufacturer's warranty commitment to its customer. Some manufacturers have been skirting this law by providing the parts for the repair directly to the dealer, thereby denying the dealer the markup on the part. Some dealers have also resorted to paying only a fixed price for labor for certain common repairs. These so-called job codes are based on the average time it should take a well-qualified tech working under perfect conditions – which is rarely, if ever, the case. As a result, a dealer may only be reimbursed for 4 hours on a job that took her tech all day to complete.

LD 1296 seeks to close that loophole by requiring the dealer to be reimbursed for the markup on parts, regardless of who provided them, and for the actual time it takes the dealer to complete the warranty repair. The bill contains safeguards and limits that cap the amount of reimbursement for especially large jobs. It also requires that the dealer's invoice for time be reasonable and supported by the dealer's own records.

This is a simple change that can make a world of difference. It will help ensure our marinas and boatyards continue to survive and thrive.

Thank you for your time and consideration. I am happy to try to answer any questions you have, and there are people from the marinas who will be following my testimony and can provide further answers.

Sincerely,

A handwritten signature in black ink, appearing to read "Cameron Reny". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Cameron Reny

State Senator, District 13

Representing Lincoln County and the towns of Washington and Windsor