

## Department of the Secretary of State Bureau of Motor Vehicles

Shenna Bellows Secretary of State Catherine Curtis Deputy Secretary of State

## JOINT STANDING COMMITTEE ON HOUSING AND ECONOMIC DEVELOPMENT

## L.D. 1467 "An Act to Ensure Accountability for Repairs Conducted by Independent Repair Facilities on Motor Vehicles Under Warranty"

Testimony of Shenna Bellows, Secretary of State and Cathie Curtis, Deputy Secretary for the Bureau of Motor Vehicles, Department of the Secretary of State

April 29, 2025

Senator Curry, Representative Gere, and Members of the Joint Standing Committee on Housing and Economic Development, I am providing testimony in opposition to L.D. 1467, "An Act to Ensure Accountability for Repairs Conducted by Independent Repair Facilities on Motor Vehicles Under Warranty."

The Department recognizes that vehicle repairs are essential for ensuring a safe and reliable experience for motorists. Repair businesses offer valuable services to our State, and the citizens of Maine must have trust in this industry.

L.D. 1467 would enact a new statute on liability for improper repairs by independent repair facilities (a new term defined in the bill). The bill specifies under what circumstances an independent repair facility would be responsible for reimbursing customers, motor vehicle dealerships, and manufacturers, sets a burden of proof, and requires disclosures to customers. The bill also provides exceptions to that new section of law and delineates which failures to follow the law would constitute a violation of the Maine Unfair Trade Practices Act.

Finally, L.D. 1467 would have the Secretary of State adopt routine technical rules to carry out the purposes of the new law.

The Department of the Secretary of State does not oversee, regulate, or license independent repair facilities, and it lacks the technical expertise necessary to conduct rulemaking in this area. We are concerned that our current staffing levels and knowledge are insufficient to draft and implement the technical rules required by this bill. Furthermore, the Department would be tasked with creating rules without a clearly defined regulatory authority to enforce them. If the Department is also responsible for enforcing these rules, we do not have adequate staff to manage this responsibility for the thousands of potential independent repair facilities in the State of Maine. Additionally, the bill does not specify who would be accountable for any investigations into alleged unfair trade practices that may arise if the statute is enacted. In dealer-related matters now, our detectives would investigate these complaints and present a case to the Attorney General's Office for prosecution.

To efficiently fulfill the requirements of this bill, the Department would need to increase staffing in our Enforcement Services Division to research this industry, engage stakeholders for discussions, and develop the necessary rules. Moreover, the Department would require substantial additional staff to conduct site visits to ensure compliance with the drafted rules. As mentioned, the Department already licenses and regulates the vehicle dealer and recycler industries and can enforce rules and laws. Without enforcement mechanisms in place, there are concerns that compliance with these rules would be inadequate.

For these reasons, we believe the most responsible course of action regarding this bill, as it is currently drafted, is to oppose L.D. 1467. Thank you for the opportunity to provide this testimony. The Department will be present for the work session.