§1169. State motor vehicle dispute arbitration and mediation

1. Neutral motor vehicle arbitration. All manufacturers shall submit to state-certified motor vehicle arbitration if arbitration is requested by the consumer within 3 years from the date of original delivery to the consumer of a motor vehicle or within the term of the express warranties, whichever comes first, and the State has accepted the application as making proper Maine Lemon Law claims. State-certified arbitration must be performed by one or more neutral arbitrators selected by the Department of the Attorney General operating in accordance with the rules adopted pursuant to this chapter. The Attorney General may contract with an independent entity to provide arbitration or the Attorney General's office may appoint neutral arbitrators. Each party to an arbitration is entitled to one rejection of a proposed arbitrator.

[PL 2003, c. 337, §7 (AMD).]

2. Written findings. Each arbitration results in a written finding of whether the motor vehicle in dispute meets the standards set forth by this chapter for vehicles that are required to be replaced or refunded. This finding must be issued within 45 days of receipt by the Department of the Attorney General of a properly completed written request by a consumer for state-certified arbitration under this section. All findings of fact issuing from a state-certified arbitration must be taken as admissible evidence of whether the standards set forth in this chapter for vehicles required to be refunded or replaced have been met in any subsequent action brought by either party ensuing from the matter considered in the arbitration. The finding reporting date may be extended by 5 days if the arbitrator seeks an independent evaluation of the motor vehicle. In addition to the other remedies provided by this chapter, the arbitrator may award a consumer whose motor vehicle is required to be replaced or refunded reasonable witness fees for a professional motor vehicle mechanic or engineer who prepared a notarized report on the condition of the vehicle or who testified at the arbitration hearing on behalf of the consumer.

[PL 1999, c. 212, §4 (AMD).]

3. Administered by Attorney General. The Department of the Attorney General shall promulgate rules governing the proceedings of state-certified arbitration which shall promote fairness and efficiency. These rules shall include, but are not limited to, a requirement of the personal objectivity of each arbitrator in the results of the dispute that that arbitrator will hear, and the protection of the right of each party to present its case and to be in attendance during any presentation made by the other party.

[PL 1989, c. 570, §5 (NEW).]

4. Consumer arbitration relief. If a motor vehicle is found by state-certified arbitration to have met the standards set forth in section 1163, subsection 2, for vehicles required to be replaced or refunded, and if the manufacturer of the motor vehicle is found to have failed to provide the refund or replacement as required, the manufacturer shall, within 21 days from the receipt of a finding, deliver the refund or replacement, including the costs and collateral charges set forth in section 1163, subsection 2, or appeal the finding in Superior Court. For good cause, a manufacturer may seek from the Department of the Attorney General an extension of the time within which it must deliver to the consumer a replacement vehicle.

[PL 1989, c. 570, §5 (NEW).]

5. Appeal of arbitration decision. An appeal by a manufacturer or the consumer of the arbitrator's findings may not be heard unless the petition for appeal is filed with the Superior Court of the county in which the sale occurred, within 21 days of issuance of the finding of the state-certified arbitration. The appeal must be a trial de novo. The arbitrator and the Department of the Attorney General may not be parties in any such appeal and may not be called as witnesses. The Department of the Attorney General may submit an amicus curiae brief.

In the event that any state-certified arbitration resulting in an award of a refund or replacement is upheld by the court, recovery by the consumer may include continuing damages up to the amount of $25 per day for each day subsequent to the day the motor vehicle was returned to the manufacturer, pursuant to section 1163, that the vehicle was out of use as a direct result of any nonconformity not issuing from owner negligence, accident, vandalism or any attempt to repair or substantially modify the vehicle by a person other than the manufacturer, its agent or authorized dealer, provided that the manufacturer did not make a comparable vehicle available to the consumer free of charge.

In addition to any other recovery, any prevailing consumer must be awarded reasonable attorney's fees and costs. If the court finds that the manufacturer did not have any reasonable basis for its appeal or that the appeal was frivolous, the court shall double the amount of the total award to the consumer.
[PL 1999, c. 212, §4 (AMD).]

6. Consumer's rights if arbitrator denies relief. The provisions of this chapter shall not be construed to limit or restrict in any way the rights or remedies provided to consumers under this chapter or any other state law. In addition, if any consumer is dissatisfied with any finding of state-certified arbitration, the consumer shall have the right to apply to the manufacturer's informal dispute settlement procedure, if the consumer has not already done so, or may appeal that finding to the Superior Court of the county in which the sale occurred, within 21 days of the decision.
[PL 1989, c. 570, §5 (NEW).]

7. Disclosure of consumer lemon law rights. A clear and conspicuous disclosure of the rights of the consumer under this chapter shall be provided by the manufacturer to the consumer along with ownership manual materials. The form and manner of these notices shall be prescribed by rule of the Department of the Attorney General. The notice disclosures shall not include window stickers.
[PL 1989, c. 570, §5 (NEW).]

8. Manufacturer's failure to abide by arbitrator's decision. The failure of a manufacturer either to abide by the decision of state-certified arbitration or to file a timely appeal shall entitle any prevailing consumer who has brought an action to enforce this chapter to an award of no less than 2 times the actual award, unless the manufacturer can prove that the failure was beyond the manufacturer's control or can show it was the result of a written agreement with the consumer.
[PL 1989, c. 570, §5 (NEW).]

9. Consumer request for information. Upon request from the consumer, the manufacturer or dealer shall provide a copy of all repair records for the consumer's motor vehicle and all reports relating to that motor vehicle, including reports by the dealer or manufacturer concerning inspection, diagnosis or test-drives of that vehicle and any technical reports, bulletins or notices issued by the manufacturer regarding the specific make and model of the consumer's new motor vehicle as it pertains to any material, feature, component or the performance of the motor vehicle.
[PL 1989, c. 570, §5 (NEW).]

10. Penalties. It shall be prima facie evidence of an unfair trade practice under Title 5, chapter 10, for a manufacturer, within 21 days of receipt of any finding in favor of the consumer in state-certified arbitration, to fail to appeal the finding and not deliver a refund or replacement vehicle or not receive from the Department of the Attorney General an extension of time for delivery of the replacement vehicle.
[PL 1989, c. 570, §5 (NEW).]

11. Arbitration and mediation account. To defray the costs incurred by the Department of the Attorney General in resolving consumer new and used motor vehicle disputes through the lemon law arbitration program and, for vehicles that do not qualify for arbitration, the consumer mediation service, the following fees are imposed.

A. A $1 lemon law arbitration program fee must be collected by the authorized new car dealer from the purchaser as part of each new motor vehicle sale agreement. [PL 1993, c. 415, Pt. K, §2 (NEW).]

B. A $1 consumer mediation service fee must be collected by the used car dealer from the purchaser as part of each used motor vehicle sale agreement. [PL 1993, c. 415, Pt. K, §2 (NEW).]

The Secretary of State shall adopt rules to implement this subsection. The rules must provide that the fees imposed by this subsection must be forwarded annually by the dealer or its successor to the Secretary of State and deposited in the General Fund. At the end of each fiscal year, the Department of the Attorney General shall prepare a report listing the money generated by these fees during the fiscal year and the expenses incurred in administering its consumer dispute resolution programs.
[PL 1993, c. 415, Pt. K, §2 (RPR).]

SECTION HISTORY

PL 1989, c. 570, §5 (NEW). PL 1991, c. 622, §PP1 (AMD). PL 1991, c. 624, §§2,3 (AFF). PL 1993, c. 415, §K1 (AMD). PL 1993, c. 415, §K2 (AMD). PL 1999, c. 212, §4 (AMD). PL 2003, c. 337, §7 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 132nd Maine Legislature and is current through October 1, 2026. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.