

HOUSE BILL 1368

M1

4lr2888

By: **Delegate Bromwell**

Introduced and read first time: February 10, 2014

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **State Boat Act – Dealer’s License – Lienholder Exemption**

3 FOR the purpose of exempting a certain lienholder, including an auctioneer and a lien
4 and recovery company, from certain licensing requirements for certain dealers
5 under the State Boat Act; and generally relating to the regulation of dealers
6 under the State Boat Act.

7 BY repealing and reenacting, without amendments,
8 Article – Natural Resources
9 Section 8–701(a) and (c)
10 Annotated Code of Maryland
11 (2012 Replacement Volume and 2013 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Natural Resources
14 Section 8–710(a) and (b)
15 Annotated Code of Maryland
16 (2012 Replacement Volume and 2013 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article – Natural Resources**

20 8–701.

21 (a) In this subtitle the following words have the meanings indicated.

22 (c) (1) “Dealer” means any person who:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) Engages in whole or in part in the business of buying,
2 selling, or exchanging new and unused vessels or used vessels, or both, either outright
3 or on conditional sale, bailment, lease, chattel mortgage, or otherwise; and

4 (ii) Has an established place of business for sale, trade, and
5 display of vessels.

6 (2) "Dealer" includes:

7 (i) A yacht broker; and

8 (ii) A holder of a lien created under Title 16, Subtitle 2 of the
9 Commercial Law Article who sells the vessel pursuant to that title, including an
10 auctioneer and a company commonly known as a lien and recovery company.

11 8-710.

12 (a) **[A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A**
13 **manufacturer or dealer may not conduct his business in the State unless licensed as a**
14 **manufacturer or dealer pursuant to regulations the Department adopts.**

15 (b) **(1)** An out-of-state or foreign manufacturer or dealer shall be
16 exempted from licensing solely for purposes of displaying and selling vessels at a boat
17 show, boat exposition, or outdoor recreation show if the show or exposition is 14
18 consecutive days or less duration, admission taxes are paid on charges for admission to
19 the show or exposition, and the manufacturer or dealer does not principally own,
20 control, or manage the show or exposition.

21 **(2) A DEALER WHO IS A HOLDER OF A LIEN CREATED UNDER**
22 **TITLE 16, SUBTITLE 2 OF THE COMMERCIAL LAW ARTICLE, INCLUDING AN**
23 **AUCTIONEER AND A COMPANY COMMONLY KNOWN AS A LIEN AND RECOVERY**
24 **COMPANY, SHALL BE EXEMPTED FROM LICENSING UNDER THIS SECTION**
25 **SOLELY FOR PURPOSES OF SELLING VESSELS IN ACCORDANCE WITH TITLE 16**
26 **OF THE COMMERCIAL LAW ARTICLE.**

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2014.