

JACK BAILEY
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Calvert and St. Mary's Counties

Budget & Taxation Committee



THE SENATE OF MARYLAND
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Senate Bill 23 – Natural Resources – State Boat Act – Auctioneers

Dear Chair Feldman and Members of the Committee,

I am writing to introduce Senate Bill 23, which would exempt auctioneers from the requirement to obtain a dealer's license in order to auction a boat in the State of Maryland.

During the interim, I heard from auctioneers whose businesses have been negatively affected by this requirement. Many of these auctioneers only auction a few boats, if any, each year, often as part of estate sales. Notably, this requirement is inconsistent with how auctioneers are treated in other areas of the law. The Transportation Article includes language specifically exempting auctioneers from the definition of a dealer in the context of buying and selling vehicles. The provisions of this bill are modeled on the exemption auctioneers currently have under the Transportation Article to make these two sections of law consistent and allow these professionals to facilitate the sale of these boats at auction without first obtaining a dealer's license.

It is important to note that this bill applies only if the title does not pass to the auctioneer. It is specifically for situations where the auctioneer is acting as an intermediary to what would otherwise be a private sale that does not require the seller to be licensed. Currently, if an individual chooses to sell their boat to another person on their own, a dealer's license is not required. However, if that same person decides instead to use an auctioneer to facilitate the sale of their vessel, the auctioneer is required to hold a dealer's license despite never taking possession of the title. This requirement makes it harder for individuals to find an auctioneer willing to auction their boat, as many auctioneers do not want to take the time and spend the money required to obtain a dealer's license to auction only a small number of boats each year. This then increases the risk of these vessels being abandoned, which is a problem I know that this committee is very familiar with.

I respectfully request a favorable report on Senate Bill 23. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bailey".

Senator Jack Bailey