

## Chapter 659

**(Senate Bill 1003)**

AN ACT concerning

**Vehicle Laws – Manufacturers and Dealers – Delivery of Vehicles**

FOR the purpose of establishing that certain requirements for motor vehicle manufacturers, distributors, and factory branches to deliver new motor vehicles to licensed dealers apply after ~~submission~~ receipt of an electronic order ~~or acceptance of an allocation~~; and generally relating to motor vehicle manufacturers and dealers.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 15–208

Annotated Code of Maryland

(2020 Replacement Volume and 2023 Supplement)

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

**Article – Transportation**

15–208.

(a) A manufacturer may not refuse to deliver new motor vehicles, new two-stage vehicles, or truck component parts, as the case may be, to a licensed dealer or distributor, in reasonable quantities and within a reasonable time after ~~receipt of a written~~ OR ELECTRONIC order ~~]~~ ~~SUBMISSION OF AN ORDER OR ACCEPTANCE OF AN ALLOCATION,~~ if:

(1) The manufacturer specifically advertises that these vehicles or truck component parts are available for immediate delivery; and

(2) The dealer or distributor has a franchise or other contract with the manufacturer for the sale of these vehicles or truck component parts to the public.

(b) A distributor may not refuse to deliver new motor vehicles, or new two-stage vehicles, as the case may be, to a licensed dealer, in reasonable quantities and within a reasonable time after ~~receipt of a written~~ OR ELECTRONIC order ~~]~~ ~~SUBMISSION OF AN ORDER OR ACCEPTANCE OF AN ALLOCATION,~~ if:

(1) The distributor specifically advertises that these vehicles are available for immediate delivery; and

(2) The dealer has a franchise or other contract with the distributor for the sale of these vehicles to the public.

(c) A factory branch may not refuse to deliver new motor vehicles, or new two-stage vehicles, as the case may be, to a licensed dealer, in reasonable quantities and within a reasonable time after ~~receipt of a written~~ **OR ELECTRONIC order** ~~SUBMISSION OF AN ORDER OR ACCEPTANCE OF AN ALLOCATION~~, if:

(1) The factory branch specifically advertises that these vehicles are available for immediate delivery; and

(2) The dealer has a franchise or other contract with the factory branch for the sale of these vehicles to the public.

(d) A failure to deliver vehicles because of a labor strike, government regulation, or other cause not the fault of the manufacturer, distributor, or factory branch is not a violation of this section.

(e) If a dealer has a franchise or other contract with a manufacturer, distributor, or factory branch for the sale of vehicles or truck component parts of a specific line or make, the manufacturer, distributor, or factory branch shall allow the dealer to:

(1) Purchase the vehicles or truck component parts at the same price and on the same terms as all other dealers with a franchise or other contract for the sale of vehicles or truck component parts of the same line or make; and

(2) Receive the same right to incentive payments that is given to all other dealers with a franchise or other contract for the sale of vehicles or truck component parts of the same line or make.

(f) (1) Any system operated by a manufacturer, distributor, or factory branch or its affiliate for the allocation of new vehicles to dealers shall be reasonable and fair for all dealers.

(2) On the written request by any of its dealers, a manufacturer, distributor, or factory branch or its affiliate shall disclose to the dealer the method by which new vehicles are allocated to dealers of the same line make.

(3) In any dispute over compliance with this subsection, a manufacturer, distributor, or factory branch or its affiliate has the burden of proving its compliance.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2024.

**Approved by the Governor, May 9, 2024.**