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**By: Senator Hafer**

Requested: November 15, 1996

Introduced and read first time: January 8, 1997

Assigned to: Judicial Proceedings

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A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws - Dealer Licensing Provisions - Exception for Funeral Vehicles**

3 FOR the purpose of modifying a certain definition of "dealer" under the Maryland  
4 Vehicle Law to exclude persons engaged exclusively in the sale of certain vehicles to  
5 licensed funeral establishments, thereby exempting those persons from dealer  
6 licensing requirements and other provisions applicable to licensed dealers.

7 BY repealing and reenacting, without amendments,  
8 Article - Transportation  
9 Section 15-101(a)  
10 Annotated Code of Maryland  
11 (1992 Replacement Volume and 1996 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article - Transportation  
14 Section 15-101(b)  
15 Annotated Code of Maryland  
16 (1992 Replacement Volume and 1996 Supplement)

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

19 **Article - Transportation**

20 15-101.

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

22 (b) (1) "Dealer" means, except as provided in paragraph (3) of this subsection,  
23 a dealer in vehicles of a type required to be registered under Title 13 of this article.

24 (2) "Dealer" includes:

25 (i) A person who is in the business of buying, selling, or exchanging  
26 vehicles, including a person who during any 12-month period offers to sell five or more of  
27 these vehicles, the ownership of which was acquired for resale purposes; and

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1 (ii) For the purposes of §§ 15-301 through 15-315, inclusive, of this  
2 title, any person who sells vehicles, whether or not that person acquired the vehicles for  
3 personal or business use, if the vehicles are displayed at a fixed location used principally  
4 for the purpose of selling vehicles on a regular basis.

5 (3) "Dealer" does not include:

6 (i) A public official who sells or disposes of vehicles in the  
7 performance of his official duties;

8 (ii) An insurance company, finance company, bank, or other lending  
9 institution licensed or otherwise authorized to do business in this State that, to save it  
10 from loss, sells or disposes of vehicles under a contractual right and in the regular course  
11 of its business;

12 (iii) A licensed auctioneer acting on behalf of a seller, secured party or  
13 owner and where title does not pass to the auctioneer and the auction is not for the  
14 purpose of avoiding the provisions of this title;

15 (iv) A receiver, trustee, personal representative, or other person  
16 appointed by or acting under the authority of any court;

17 (v) Either a manufacturer or distributor who sells or distributes  
18 vehicles to licensed dealers or a person employed by a manufacturer or distributor to  
19 promote the sale of the vehicles of the manufacturer or distributor, if that manufacturer,  
20 distributor, or person does not sell vehicles to retail buyers;

21 (vi) A person who sells or disposes of vehicles acquired and used for  
22 personal or business use and not for the purpose of avoiding the provisions of this title, if  
23 that person is not engaged in buying, selling, or exchanging vehicles as a business;

24 (vii) An automotive dismantler and recycler who during the normal  
25 course of business acquires a salvage vehicle and transfers the vehicle on a salvage  
26 certificate. However, if the automotive dismantler and recycler rebuilds and sells more  
27 than 5 vehicles during a 12-month period to a person other than another automotive  
28 dismantler and recycler or licensed dealer, the automotive dismantler and recycler must  
29 be licensed as a dealer under § 15-302 of this subtitle; [or]

30 (viii) A person engaged in the leasing of motor vehicles under leases not  
31 intended as security; OR

32 (IX) A PERSON ENGAGED EXCLUSIVELY IN THE SALE OF CLASS C  
33 (FUNERAL AND AMBULANCE) VEHICLES TO LICENSED FUNERAL ESTABLISHMENTS.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
35 October 1, 1997.