

(PRE-FILED)

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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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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 4, 1997

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## CHAPTER \_\_\_\_

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 exempting certain vehicle dealers from certain business and location requirements;  
8 and generally relating to vehicle dealers.

9 ~~BY repealing and reenacting, without amendments,~~  
10 ~~Article - Transportation~~  
11 ~~Section 15-101(a)~~  
12 ~~Annotated Code of Maryland~~  
13 ~~(1992 Replacement Volume and 1996 Supplement)~~

14 BY repealing and reenacting, with amendments,  
15 Article - Transportation  
16 Section ~~15-101(b)~~ 15-304(b)(1)  
17 Annotated Code of Maryland  
18 (1992 Replacement Volume and 1996 Supplement)

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

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1 **Article - Transportation**

2 ~~15-101.~~

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

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

6 ~~(2) "Dealer" includes:~~

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

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

14 ~~(3) "Dealer" does not include:~~

15 ~~(i) A public official who sells or disposes of vehicles in the~~  
16 ~~performance of his official duties;~~

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

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

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

26 ~~(v) Either a manufacturer or distributor who sells or distributes~~  
27 ~~vehicles to licensed dealers or a person employed by a manufacturer or distributor to~~  
28 ~~promote the sale of the vehicles of the manufacturer or distributor, if that manufacturer,~~  
29 ~~distributor, or person does not sell vehicles to retail buyers;~~

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

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

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

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

5 15-304.

6                   (b) (1) As to trailers, semitrailers, motorcycles, CLASS C (FUNERAL AND  
7 AMBULANCE) VEHICLES, or emergency vehicles as defined in § 11-118(2), (5), and (6) of  
8 this article, the sale of these vehicles need not be the only or principal business conducted  
9 from the fixed location, but shall be subject to any reasonable location requirements  
10 determined by the Administration by rule or regulation.

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