

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 498 (Delegate Wood)

Commerce and Government Matters

**Vehicle Laws - Agents of Manufacturers and Distributors - Prohibition
on Retail Sales**

This bill adds limited liability companies and limited liability partnerships that are owned or controlled by or under common control with a manufacturer or distributor to the types of business entities that are prohibited from selling new vehicles to retail buyers.

Fiscal Summary

State Effect: None. The bill does not directly affect State finances or operations.

Local Effect: None.

Small Business Effect: Potential meaningful. Limited liability companies and partnerships that are associated with manufacturers or distributors and that sell new vehicles to retail buyers would have a competitive advantage over other vehicle dealers because they would have direct access to the products at a lower cost. The bill maintains the competitive balance among dealers by strengthening the prohibition against manufacturers and distributors from selling new vehicles to retail buyers.

Information Source(s): Department of Transportation (Motor Vehicle Administration),
Department of Legislative Services

Fiscal Note History: First Reader - February 17, 1998

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Analysis by: Jody J. Minnich

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710