

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE
Revised

House Bill 785 (Delegate Minnick. *et al.*)

Economic Matters

Commercial Law - Maryland Fair Distributorship Act - Notice and Arbitration
Requirements

This bill provides that if a dispute arises between a manufacturer and a distributor relating to the application of the Maryland Fair Distributorship Act, on the request of either party, the parties must submit the dispute to arbitration *in the State of Maryland* under the Maryland Uniform Arbitration Act. The bill also requires a manufacturer, when notifying a distributor of a proposed cancellation or nonrenewal of an agreement, to provide notice to a distributor of its failure to comply with a reasonable requirement of the agreement, and an opportunity for the distributor to cure or dispute the asserted deficiency.

This bill applies to all distributorships in existence on or after July 1, 1999.

Fiscal Summary

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

Local Effect: None.

Small Business Effect: Potential minimal.

Information Source: Judiciary

Fiscal Note History:

ncs/jr

First Reader - March 4, 1999

Revised - House Third Reader - March 29, 1999

Revised - Enrolled Bill - May 5, 1999

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