

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

House Bill 360 (Delegate Elliott, *et al.*)
Economic Matters

Consumer Protection - "Lemon Law" - Motor Homes and Recreational Vehicles

This bill extends application of the Maryland Automotive Warranty Enforcement Act to motor homes by removing the exclusion of a "motor home" from the definition of "motor vehicle" under the Act.

Fiscal Summary

State Effect: Assuming that the Consumer Protection Division within the Office of the Attorney General receives fewer than 50 complaints per year stemming from this bill, any additional workload could be handled with existing resources.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: The Maryland Automotive Warranty Enforcement Act requires the manufacturer of a motor vehicle or the manufacturer's factory branch, agent, or authorized dealer to correct covered defects as provided under the manufacturer's warranty. If a defect that substantially impairs the use and market value of the motor vehicle cannot be corrected after a reasonable number of attempts, the manufacturer must either: (1) replace the motor vehicle with a comparable one acceptable to the consumer; or (2) accept the return of the vehicle and refund the full purchase price, including all licensing and registration fees, less a reasonable allowance for: (a) the consumer's use of

the vehicle, up to 15% of the purchase price; and (b) damages not attributable to normal wear except damage attributable to the defect.

Under the Act, a “motor vehicle” is: (1) a Class A (passenger) vehicle; (2) a Class D (motorcycle) vehicle; (3) a Class E (truck) vehicle with $\frac{3}{4}$ ton or less rated capacity; or (4) a Class M (multipurpose) vehicle. A motor vehicle does not include a motor home.

Background: By regulation, a motor home must display a Class M (multipurpose passenger vehicle) registration plate.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division), Department of Legislative Services

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