

# HOUSE BILL 1361

C2, R7, I3

8lr2470

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By: **Delegates Stein and Cardin**

Introduced and read first time: February 8, 2008

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws - Advertising Practices - Prohibited Acts**

3 FOR the purpose of prohibiting a vehicle dealer or an agent or employee of a dealer  
4 from stating in any advertisement as the selling price of a vehicle an amount  
5 that represents the balance that would be owed after deduction of a down  
6 payment, trade-in allowance, or other allowance; and generally relating to the  
7 advertising practices of vehicle dealers.

8 BY repealing and reenacting, with amendments,  
9 Article - Transportation  
10 Section 15-313  
11 Annotated Code of Maryland  
12 (2006 Replacement Volume and 2007 Supplement)

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

15 **Article - Transportation**

16 15-313.

17 (a) A dealer or an agent or employee of a dealer may not use any  
18 advertisement that is in any way false, deceptive, or misleading.

19 (b) A dealer or an agent or employee of a dealer may not by any means  
20 advertise or offer to the public any vehicle without intent to sell it as advertised or  
21 offered.

22 (c) Any advertisement that is subject to and complies with the rules and  
23 regulations of and statutes administered by the Federal Trade Commission is not  
24 false, deceptive, or misleading under this section.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (d) (1) A dealer or an agent or employee of a dealer may not place on a  
2 vehicle an insignia, logo, or other plate that advertises the name of the dealer, unless:

3 (i) The contract of sale for the vehicle contains a notice of the  
4 rights of the buyer described in this subsection; and

5 (ii) The buyer of the vehicle consents to the placement of the  
6 insignia, logo, or other plate on the vehicle.

7 (2) A dealer or an agent or employee of a dealer may enter into an  
8 agreement with a buyer of a vehicle to compensate the buyer in exchange for the  
9 buyer's consent to the placement on the vehicle of an insignia, logo, or other plate that  
10 advertises the name of the dealer.

11 (3) If a dealer or an agent or employee of a dealer places an insignia,  
12 logo, or other plate that advertises the name of the dealer without obtaining a buyer's  
13 consent, the dealer shall, at the request of the buyer, remove the advertising and make  
14 all repairs necessary to restore the vehicle to its original appearance at no charge to  
15 the buyer.

16 **(E) A DEALER OR AN AGENT OR EMPLOYEE OF A DEALER MAY NOT**  
17 **STATE IN ANY ADVERTISEMENT AS THE SELLING PRICE OF A VEHICLE AN**  
18 **AMOUNT THAT REPRESENTS THE BALANCE THAT WOULD BE OWED AFTER**  
19 **DEDUCTING A DOWN PAYMENT, TRADE-IN ALLOWANCE, OR OTHER ALLOWANCE.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
21 October 1, 2008.