

SENATE BILL 642

R4

3lr1764
CF HB 545

By: **Senator Carozza**

Introduced and read first time: February 6, 2023

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws – Annual Vehicle Shows – Motor and Trailer Homes**

3 FOR the purpose of repealing a certain limitation on an exemption for a motor or trailer
4 home dealer and a salesman employed by the dealer from restrictions on the number
5 of annual vehicle shows in which the dealer or salesman may participate; authorizing
6 out-of-state motor or trailer home dealers to participate in vehicle shows in the
7 State; creating an exception for motor or trailer home shows to the requirement that
8 vehicle shows offer only new vehicles; and generally relating to annual motor or
9 trailer home shows.

10 BY repealing and reenacting, with amendments,
11 Article – Transportation
12 Section 15–304
13 Annotated Code of Maryland
14 (2020 Replacement Volume and 2022 Supplement)

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

17 **Article – Transportation**

18 15–304.

19 (a) Except as provided in subsection (b) of this section, a person may not be
20 licensed under this subtitle unless:

21 (1) The business to be conducted under the license is the only or principal
22 business conducted from the fixed location specified in the application;

23 (2) That business is conducted from a building that is adequate and
24 appropriate for the sale of the vehicles that may be sold under the license; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) That business either:

2 (i) Maintains and operates an automotive repair facility equipped
3 for reasonably adequate and proper servicing of the vehicles to be sold by it; or

4 (ii) Has an existing contract, approved by the Administration, that
5 requires the contractor to service, at a reasonably convenient location, the vehicles to be
6 sold by the business.

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

12 (2) A wholesale dealer may be licensed under this subtitle regardless of
13 whether the wholesale dealer meets the requirements of subsection (a)(1) and (3) of this
14 section, but a wholesale dealer shall be subject to any reasonable location requirements
15 determined by the Administration by rule or regulation.

16 (c) Notwithstanding the provisions of this section:

17 (1) A new vehicle dealer, or a licensed vehicle salesman who is employed
18 by the dealer, may participate in 2 annual vehicle shows for each dealer location.

19 (2) A display or exhibit of vehicles provided by a vehicle manufacturer is
20 not a vehicle show under this section if buyers' orders are not executed and deposits are not
21 accepted.

22 (3) (i) A [new] vehicle dealer franchised to sell [Class M] motor homes
23 or Class G trailers, or a licensed salesman who is employed by the dealer, may participate
24 in more than 2 annual vehicle shows[, if the shows are limited to Class M motor homes or
25 Class G trailers].

26 (ii) A new vehicle dealer franchised to sell motorcycles, or a licensed
27 salesman who is employed by the dealer, may participate in more than 2 annual vehicle
28 shows.

29 (d) A vehicle dealer or licensed vehicle salesman listed in subsection (c) of this
30 section may participate in a vehicle show if:

31 (1) The dealer holds a valid license issued under this title **OR, FOR AN**
32 **OUT-OF-STATE DEALER OR SALESMAN OF MOTOR HOMES OR CLASS G TRAILERS, BY**
33 **THE VEHICLE DEALER LICENSING AUTHORITY OF ANOTHER STATE;** and

1 (2) At least 60 days before the vehicle show, an application is filed with the
2 Administration, for approval by the Administration, that contains:

3 (i) A list of the names and business addresses of participating
4 dealers to the extent known;

5 (ii) The location of the vehicle show;

6 (iii) The specific dates on which the vehicle show will be held; and

7 (iv) Other reasonable information required by the Administration;
8 and

9 (3) The vehicle show does not exceed 10 consecutive days and, except for
10 motorcycle shows **AND SHOWS FOR MOTOR HOMES OR CLASS G TRAILERS**, is restricted
11 to new vehicles only.

12 (e) (1) This subsection does not apply to a licensed motorcycle dealer or a
13 licensed motorcycle salesman who is employed by the dealer.

14 (2) A licensed dealer, or a licensed vehicle salesman who is employed by
15 the dealer, who participates in a vehicle show may execute a buyer's order and accept a
16 deposit as provided in paragraph (3) of this subsection.

17 (3) A licensed dealer may not accept a deposit that:

18 (i) For an order for any vehicle, except a [Class M] motor home,
19 exceeds 5 percent of the cost of the vehicle; or

20 (ii) For an order of a [Class M] motor home, exceeds 10 percent of
21 the cost of the motor home.

22 (4) Except as otherwise provided in paragraph (2) of this subsection, a
23 licensed dealer, or a licensed vehicle salesman who is employed by the dealer, shall conduct
24 activities involved in a vehicle sale, including the completion of the sales contract, the
25 issuance of temporary registration plates and a temporary registration certificate, and
26 delivery of the vehicle, at the dealer's fixed location as shown in the dealer's application for
27 the license.

28 (f) A licensed motorcycle dealer, or a licensed salesman who is employed at a
29 vehicle show by the dealer, may conduct all activities involved in a motorcycle sale,
30 including executing a buyer's order, accepting a deposit of any amount, completing the sales
31 contract, issuing temporary registration plates and a temporary registration certificate,
32 and delivery of the motorcycle.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 October 1, 2023.