

# SENATE BILL 742

R4

3lr1889

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By: **Senator Smith**

Introduced and read first time: February 6, 2023

Assigned to: Judicial Proceedings

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 8, 2023

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Vehicle Laws – Manufacturers and Dealers – Allocation of Vehicles**

3 FOR the purpose of requiring that any system operated by a vehicle manufacturer,  
4 distributor, or factory branch or its affiliate for allocating new vehicles to dealers be  
5 reasonable and fair; and generally relating to vehicle manufacturers and dealers.

6 BY adding to

7 Article – Transportation

8 Section 15–208(f)

9 Annotated Code of Maryland

10 (2020 Replacement Volume and 2022 Supplement)

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

13 **Article – Transportation**

14 15–208.

15 **(F) (1) ANY SYSTEM OPERATED BY A MANUFACTURER, DISTRIBUTOR, OR**  
16 **FACTORY BRANCH OR ITS AFFILIATE FOR THE ALLOCATION OF NEW VEHICLES TO**  
17 **DEALERS SHALL BE REASONABLE AND FAIR FOR ALL DEALERS.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1                   **(2) ON THE WRITTEN REQUEST BY ANY OF ITS DEALERS, A**  
2 **MANUFACTURER, DISTRIBUTOR, OR FACTORY BRANCH OR ITS AFFILIATE SHALL**  
3 **DISCLOSE TO THE DEALER THE METHOD BY WHICH NEW VEHICLES ARE ALLOCATED**  
4 **TO DEALERS OF THE SAME LINE MAKE.**

5                   **(3) IN ANY DISPUTE OVER COMPLIANCE WITH THIS SUBSECTION, A**  
6 **MANUFACTURER, DISTRIBUTOR, OR FACTORY BRANCH OR ITS AFFILIATE HAS THE**  
7 **BURDEN OF PROVING ITS COMPLIANCE.**

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

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.