

HOUSE BILL 1166

R4

6lr2023
CF 6lr2021

By: **Delegate Palakovich Carr**

Introduced and read first time: February 11, 2026

Assigned to: Economic Matters and Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicles – Dealers – Front Registration Plate Display**

3 FOR the purpose of prohibiting a motor vehicle dealer from delivering certain motor
4 vehicles to a buyer or lessee unless the motor vehicles have front registration plate
5 mounting hardware or the buyer or lessee signs a certain disclosure statement
6 acknowledging declined installation of the mounting hardware; requiring a motor
7 vehicle dealer to report certain information on declined installation of front
8 registration plate mounting hardware to the Motor Vehicle Administration on a
9 certain periodic basis; and generally relating to the display of front registration
10 plates on motor vehicles delivered to buyers or lessees by motor vehicle dealers.

11 BY repealing and reenacting, without amendments,
12 Article – Transportation
13 Section 15–101(a) and (c) and 15–305(e)(2)
14 Annotated Code of Maryland
15 (2020 Replacement Volume and 2025 Supplement)

16 BY adding to
17 Article – Transportation
18 Section 15–316
19 Annotated Code of Maryland
20 (2020 Replacement Volume and 2025 Supplement)

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

23 **Article – Transportation**

24 15–101.

25 (a) In this title the following words have the meanings indicated.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (c) (1) "Dealer" means, except as provided in paragraph (3) of this subsection,
2 a dealer in vehicles of a type required to be registered under Title 13 of this article.

3 (2) (i) "Dealer" includes:

4 1. A person who is in the business of buying, selling, or
5 exchanging vehicles, including a person who during any 12-month period offers to sell three
6 or more of these vehicles, the ownership of which was acquired for resale purposes; and

7 2. For the purposes of §§ 15-301 through 15-315, inclusive,
8 of this title, any person who sells vehicles, whether or not that person acquired the vehicles
9 for personal or business use, if the vehicles are displayed at a fixed location used principally
10 for the purpose of selling vehicles on a regular basis.

11 (ii) 1. For the purposes of subparagraph (i)1 of this paragraph, a
12 person who offers to sell three or more vehicles during any 12-month period is presumed
13 to have acquired the vehicles for resale purposes.

14 2. The vehicle owner has the burden of rebutting the
15 presumption established under subparagraph 1 of this subparagraph by a
16 preponderance of the evidence.

17 (3) "Dealer" does not include:

18 (i) A public official who sells or disposes of vehicles in the
19 performance of his official duties;

20 (ii) An insurance company, finance company, bank, or other lending
21 institution licensed or otherwise authorized to do business in this State that, to save it from
22 loss, sells or disposes of vehicles under a contractual right and in the regular course of its
23 business;

24 (iii) A licensed auctioneer acting on behalf of a seller, secured party
25 or owner and where title does not pass to the auctioneer and the auction is not for the
26 purpose of avoiding the provisions of this title;

27 (iv) A receiver, trustee, personal representative, or other person
28 appointed by or acting under the authority of any court;

29 (v) Either a manufacturer or distributor who sells or distributes
30 vehicles to licensed dealers or a person employed by a manufacturer or distributor to
31 promote the sale of the vehicles of the manufacturer or distributor, if that manufacturer,
32 distributor, or person does not sell vehicles to retail buyers;

1 (vi) A person who sells or disposes of vehicles acquired and used for
2 personal or business use and not for the purpose of avoiding the provisions of this title, if
3 that person is not engaged in buying, selling, or exchanging vehicles as a business;

4 (vii) An automotive dismantler and recycler who during the normal
5 course of business acquires a salvage vehicle and transfers the vehicle on a salvage
6 certificate. However, if the automotive dismantler and recycler rebuilds and sells more than
7 5 vehicles during a 12-month period to a person other than another automotive dismantler
8 and recycler or licensed dealer, the automotive dismantler and recycler must be licensed as
9 a dealer under § 15-302 of this title;

10 (viii) A person engaged in the leasing of motor vehicles under leases
11 not intended as security;

12 (ix) A religious, charitable, or volunteer organization exempt from
13 taxation under § 501(c) of the Internal Revenue Code, the Department of Human Services,
14 or a local department of social services transferring a vehicle under § 13-810 of this article;
15 or

16 (x) An autonomous vehicle converter as defined in § 15-901 of this
17 title.

18 15-305.

19 (e) (2) (i) Notwithstanding subsections (b) and (f) of this section and
20 subject to subparagraph (ii) of this paragraph, a manufacturer or distributor may be
21 licensed as a dealer if:

22 1. The manufacturer or distributor deals only in electric or
23 nonfossil-fuel burning vehicles;

24 2. No dealer in the State holds a franchise from the
25 manufacturer or distributor;

26 3. The manufacturer or distributor, or a subsidiary, an
27 affiliate, or a controlled entity of the manufacturer or distributor, does not hold a controlling
28 interest in another manufacturer or distributor, or a subsidiary, an affiliate, or a controlled
29 entity of the other manufacturer or distributor, that is licensed as a dealer under this
30 paragraph; and

31 4. No other manufacturer or distributor, or subsidiary,
32 affiliate, or controlled entity of the other manufacturer or distributor, that is licensed as a
33 dealer under this paragraph, holds a controlling interest in the manufacturer or distributor,
34 or a subsidiary, an affiliate, or a controlled entity of the manufacturer or distributor.

35 (ii) No more than four licenses may be issued under this paragraph.

1 (iii) The Administration shall adopt regulations to implement this
2 paragraph.

3 **15-316.**

4 (A) AFTER THE SALE, LEASE, OR EXCHANGE OF A MOTOR VEHICLE FOR
5 WHICH TWO REGISTRATION PLATES ARE REQUIRED UNDER § 13-411 OF THIS
6 ARTICLE, A DEALER MAY NOT DELIVER THE MOTOR VEHICLE TO THE BUYER OR
7 LESSEE UNLESS:

8 (1) THE MOTOR VEHICLE IS EQUIPPED WITH REGISTRATION PLATE
9 MOUNTING HARDWARE CAPABLE OF SECURELY DISPLAYING THE REGISTRATION
10 PLATE ON THE FRONT OF THE MOTOR VEHICLE; OR

11 (2) THE PURCHASER OR LESSEE SIGNS A WRITTEN STATEMENT
12 ACKNOWLEDGING THAT:

13 (I) THE BUYER OR LESSEE DECLINED INSTALLATION OF
14 REGISTRATION PLATE MOUNTING HARDWARE ON THE FRONT OF THE MOTOR
15 VEHICLE;

16 (II) THE BUYER OR LESSEE UNDERSTANDS THAT STATE LAW
17 REQUIRES THE DISPLAY OF A REGISTRATION PLATE ON THE FRONT OF THE MOTOR
18 VEHICLE;

19 (III) REGISTRATION PLATE MOUNTING HARDWARE FOR THE
20 FRONT OF THE MOTOR VEHICLE IS AVAILABLE FROM THE DEALER; AND

21 (IV) FAILURE TO DISPLAY A REGISTRATION PLATE ON THE
22 FRONT OF THE VEHICLE IS A MISDEMEANOR AND MAY SUBJECT THE BUYER OR
23 LESSEE TO A FINE NOT EXCEEDING \$500.

24 (B) ON A MONTHLY BASIS, A DEALER SHALL REPORT TO THE
25 ADMINISTRATION THE NAME OF EACH BUYER OR LESSEE WHO SIGNED A WRITTEN
26 STATEMENT UNDER THIS SECTION.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2026.