



Maryland Consumer Rights Coalition

Testimony to the Senate Finance Committee
SB134: Consumer Protection - Electronic Transactions - Sale of Vehicle
Position: Favorable With Amendments

February 5, 2020

Senator Delores Kelley, Chair
Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401
Cc: Members, Senate Finance

Honorable Chairwoman Kelley and Members of the Committee:

The Maryland Consumer Rights Coalition (MCRC) is a statewide coalition of individuals and organizations that advances financial justice and economic inclusion for Maryland consumers through research, education, direct service, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

I write today in favor of SB134 with the sponsor amendment and another proposed amendment.

MCRC works with a number of private consumer attorneys in Maryland. We convene meetings with consumer attorneys and the Maryland Vehicle Administration to coordinate, collaborate, and share concerns. A number of attorneys have raised the issue of electronic contracts as a concern. Consumers who have sought counsel because of potential fraud, deceptive practices, or false advertising faced challenges because they signed electronic contracts and didn't have a copy of the contract. If they did have a copy of the contract, they rarely had one signed by both the customer and the dealer (having a signed copy from both parties is needed to enforce the deal, should a dealer renege for some reason).

We support SB 134 with the amendments offered by the Office of the Attorney General and we recommend one additional amendment. To ensure enforceability of the contract, MCRC recommends the following amendment:



Maryland Consumer Rights Coalition

A CONSUMER SHALL BE DEEMED NOT TO HAVE AGREED TO ENTER INTO A TRANSACTION FOR THE SALE OR LEASE OF A VEHICLE WITH A DEALER BY ELECTRONIC MEANS UNLESS THE DEALER PROVIDES A CONSUMER WITH:

A CLEAR AND READABLE COPY OF EACH DOCUMENT SIGNED BY THE CONSUMER **and the dealer** IN AN ELECTRONIC OR WRITTEN FORMAT; AND

With the addition of these two amendments, MCRC supports SB 134 and urges a favorable report.

Best,

Marceline White
Executive Director