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**TO:** The Honorable Dereck E. Davis, Chair  
Economic Matters Committee

**FROM:** Steven M. Sakamoto-Wengel  
Consumer Protection Counsel for Regulation, Legislation and Policy

**RE:** House Bill 659 – Vehicle Laws – Manufacturers and Dealers – Prices  
Listed on Dealer Website -- SUPPORT

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The Consumer Protection Division of the Office of the Attorney General supports House Bill 659, sponsored by Delegate Qi. House Bill 659 would bar an automobile manufacturer, distributor or factory branch from prohibiting an automobile dealer from advertising a vehicle at the “purchase price.” “Purchase price” is defined in the bill as the “full delivered price of a vehicle, excluding only taxes, title fees, and any freight or dealer processing charge disclosed in accordance with § 15-311.1 of [the Transportation Article].” The Division understands that House Bill 659 is intended to ensure that accurate price information is available to consumers.

We understand that some car manufacturers have established Minimum Allowable Advertised Price rules that establish a minimum price that dealers can list for a car model online that is often \$1,500 or more greater than the actual price at which the dealership is willing to sell the vehicle. This practice limits the price competition that can help car buyers get a good deal. The Division believes that House Bill 659 would solve the problem by prohibiting manufacturers from punishing dealers for listing a valid price offer on their websites. The bill does nothing to prevent a manufacturer from requiring that dealers provide truthful price advertising.

Consequently, the Consumer Protection Division requests that the Judicial Proceedings Committee give House Bill 659 a favorable report.

cc: The Honorable Lily Qi  
Members, Economic Matters Committee