

BRIAN E. FROSH
Attorney General

ELIZABETH F. HARRIS
Chief Deputy Attorney General

CAROLYN QUATTROCKI
Deputy Attorney General



WILLIAM D. GRUHN
Chief
Consumer Protection Division

Writer's Fax No.

STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

Writer's Direct Dial No.

410-576-7942
kstraughn@oag.state.md.us
Fax: 410-576-7040

March 3, 2022

To: The Honorable William C. Smith, Jr.
Chair, Judicial Proceedings Committee

From: Karen S. Straughn
Consumer Protection Division

Re: Senate Bill 886 – Vehicle Laws – Manufacturers and Dealers - Incentives (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of Senate Bill 886 submitted by Senator Susan C. Lee. The bill would require that an affiliate of a manufacturer, distributor or factory branch that offers or advertises any consumer rebates, dealer incentives, price or interest rate reductions or finance terms make those incentives available to all dealers and all purchasers of vehicles of the same line make. The bill would further require any system for the allocation of new vehicles to dealers be reasonable and fair.

The problems with access to new vehicles became readily apparent during the pandemic. There were fewer vehicles available, and an individual consumer could be forced to obtain a vehicle from a distant dealership or wait months for the local dealership to be able to obtain the car of his or her choice. By ensuring fairness in the distribution to dealerships, consumers are less likely to be inconvenienced in the search for their desired vehicle.

In addition, by making all incentives available to all consumers of the same line of vehicles, SB 886 ensures fairness and protects against discrimination. Consumers should not be subjected to the necessity of shopping around to ensure that they are receiving all the available incentives offered by a manufacturer, distributor, factory branch or its affiliates.

For these reasons, we ask that the Judicial Proceedings Committee return a favorable report on this bill.

cc: The Honorable Susan C. Lee
Members, Judicial Proceedings Committee

