



To: House Economic Matters Committee

From: Peter Kitzmiller, President
MD Automobile Dealers Association

Re: House Bill 955 – Delegate Queen

POSITION: Support with Amendment

The Maryland Automobile Dealers Association which represents over 300 franchised new car and truck dealers across the State of Maryland supports House Bill 955 and respectfully asks for a favorable report.

House Bill 955 simply requires that a manufacturers' system for allocating vehicles be fair and reasonable and if a dealer requests in writing an explanation of the allocation system, the burden of proof is on the manufacturer to show its allocation system is fair and reasonable. This burden of proof requirement on the manufacturer is a standard that is found throughout Maryland Franchise Law.

The past 2 ½ years have seen a historical shortage of new vehicle inventory. The fair allocation of vehicles is critical to Maryland dealers and our customers. As dealers work to meet the State of Maryland Electric Vehicle Sales mandate, it is important that these vehicles are allocated in a fair and reasonable manner.

It is our understanding that the Sponsor will be offering amendments which will remove all changes to Sec 15-207 and will make the Bill identical to Senate Bill 742 which had a hearing last week in the Judicial Proceedings Committee.

We support those amendments and would ask for a favorable report.