

Senate Judicial Proceedings Committee
March 29, 2023

RE: Please Support HB 1173 (Recreational Dealer Agreements)

Chair Smith, Vice Chair Waldstreicher and Members of the Senate Judicial Proceedings Committee

We appreciate this opportunity to comment on HB 1173.

We are writing to you today to ask this committee **to support HB 1173**. If passed, HB 1173 would enact an industry negotiated and agreed upon model law which would govern the relationship between RV Dealers and RV Manufacturers.

HB 1173 is based on an RV-specific model law negotiated and agreed to by the national RV Dealers Association and the RV Industry Association. These laws provide reciprocal advantages for RV dealers and benefit consumers. RV-specific laws provide consistency for manufacturers to develop and manage dealer agreements across the states. Enactment of an RV-specific law does not disrupt state business licensing laws and state agency oversight of RV dealer/ manufacturer interactions.

In many states, RVs are covered by automobile franchise laws even though auto dealers and RV dealers operate under very different business models. In some states, like Maryland, not all products on RV dealer lots are captured by the automobile franchise law. HB 1173 would ensure that all products RV dealers carry are properly covered under an industry negotiated law. This would put Maryland RV dealers on a level playing field with out-of-state dealers in Pennsylvania and Delaware who have similar laws to what HB 1173 would enact.

Further, the RV industry is not vertically integrated among manufacturers, parts, and suppliers like the auto industry, which creates a substantive difference in warranty obligations between the two industries. HB 1173 will capture all parties who are involved in warranty work.

Once again, we ask this committee **to support HB 1173** throughout the legislative process, as it enacts an RV-specific law which will allow the RV industry to pursue its business model without interfering in the auto industry. This will benefit consumers, RV Dealers, and RV Manufacturers.

Sincerely,



Greg Merkle
Leo's RV

Nicholas Rudowich

Nicholas Rudowich
RV Industry Association