



DATE: March 2, 2023  
TO: Senate Judicial Proceedings Committee  
FROM: Travis Martz (General Counsel)  
RE: SB 642 (Senator Carozza)

**POSITION: OPPOSE**

The Maryland Automobile Dealers Association (MADA) represents over 300 franchised new car and truck dealers, and their 24,000 employees. We oppose SB 642.

The Maryland Motor Vehicle Administration (“MVA”) regulates a comprehensive vehicle sales licensing program to ensure consumer protection is maintained. Any individual involved in the inducement of vehicle buying and/or selling on three vehicles a year must obtain a salesman’s license. A license can only be obtained through employment by a licensed motor vehicle dealer. This double licensure obtains background checks on all individuals involved in commercial vehicle sales for consumer protection purposes.

SB 642 will allow out of state dealers to send salesman into Maryland to engage in the selling process. Since Maryland does not regulate these out of state dealers, we do not control what, if any, standards are used to properly license sales persons. This is a significant consumer protection issue that will leave the MVA in a position it is unable to enforce.

Further, Maryland dealers are not afforded the reciprocal benefit of participating in shows in neighboring states as unlicensed sales persons. SB 642 is a unilateral measure that lacks consumer protection provisions necessary when purchasing a vehicle the size of a motorhome.

**MADA respectfully asks the Senate Judicial Proceedings Committee to give SB 642 an unfavorable report.**