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SPEAKER PRO TEM
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Committee

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The Maryland House of Delegates
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**Delegate Dana Stein's Testimony in Support of
HB 605 – Motor Vehicles – Recreational Vehicle Dealer Agreements**

Chairman Korman, Vice Chair Boyce and Members of the Environment and Transportation Committee:

Very similar legislation was passed by both the House and the Senate last year, but we were unable to review a Senate amendment in time before Sine Die. I will briefly review what this bill does.

Recreational vehicle (RV) dealer and RV manufacturer agreements are currently governed by the same state law that governs automobile dealers and manufacturers. However, the RV industry is very different: RV retailers are not franchises of a specific manufacturer. For example, an automobile dealership only sells vehicles from one single manufacturer (a Honda or Ford dealership sells *just* Hondas or Fords), whereas a single RV dealership sells RVs from multiple manufacturers.

This bill establishes a new regulatory framework that would apply to RV manufacturers, distributors, and dealers. It would also establish new procedures, timelines, and requirements that govern written dealer agreements, warranties on recreational vehicles, and other manufacturer-dealer relationship matters. These changes would provide consistency for manufacturers to develop and manage dealer agreements in Maryland.

This bill is based on a nationally negotiated RV-specific model law that the national RV manufacturers' and the national RV dealers' associations agreed upon three years ago. Because it is more closely tailored to how the RV industry operates, this legislation will help to ensure that this industry is not out of compliance with automobile franchise laws that don't even apply to the RV industry. It's also important to note the licensing requirements and fees administered by State regulators do not change.

Similar RV-specific laws have been enacted in eighteen other states, including Pennsylvania, Delaware, and Virginia.

This is a reciprocal, reasonable law intended to treat manufacturers and dealers fairly and to place the RV industry in a separate chapter to avoid future conflict with auto franchise laws.

For these reasons I hope you vote favorably on HB 605.