

Chair Korman, Vice-Chair Royce, and members of the Committee, I am Sophia de la Torre, Senior Manager of Government Affairs for the RV Industry Association. I thank you for the opportunity to appear before you today on its behalf in support of HB 605, the bipartisan and bicameral legislation to govern the relationship between manufacturers and dealers of recreational vehicles. This legislation was approved unanimously by this Committee last year.

The RV Industry Association is the national trade association which represents recreation vehicle (RV) manufacturers and their

component parts suppliers, who together build more than 98 percent of all RVs produced in the U.S.

The RV industry operates on a one-dealer-to-many manufacturers model with no true franchise relationship between parties in a manufacturer-dealer agreement, while the auto industry is one dealer to one manufacturer and is based on a true franchise model. However, we have a patchwork of laws across the country that create confusion on which part of what provision applies to which industry, and under what circumstances.

To fix this problem, and to address other structural problems in the law, the RV Industry Association is asking this Committee to support HB 605 to place the manufacturer-dealer relationship for RVs in a separate chapter of law. This legislation is the product of negotiation between the RV Industry Association and RV dealers in Maryland, both of whom strongly support its approval. Passage of this legislation will strengthen the viability of the RV industry in Maryland to the state's benefit and that of consumers, manufacturers, and dealers alike.

Consumers will benefit from this better relationship between RV manufacturers and dealers since the legislation will improve

cooperation between the two on warranty matters, pre-delivery inspection, and other issues. Consumers will also benefit from a more stable environment, knowing that the dealer who sold them an RV will continue carrying those brands.

This bill would place the RV industry in a separate chapter from the auto industry, finally allowing these two industries to operate separately under law as they do in reality.

HB 605 is designed to be fair, reciprocal and reasonable to all stakeholders – and in the RV industry, that includes not only the dealer and the manufacturer, but also suppliers to manufacturers

who provide a written warranty on their products directly to those who purchase and enjoy RVs. These suppliers must also treat dealers fairly under HB 605 in warranty matters – a major difference from the automobile industry.

We urge all members of this Committee to vote “Yes” on this important legislation and advance HB1996 to the full House.