NAEDA
NORTH AMERICAN
EQUIPMENT DEALERS ASSOCIATION

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In OPPOSITION to S.B. 990

The North America Equipment Dealers Association (NAEDA) is an international trade association representing approximately 4,500 farm, industrial, and outdoor power equipment dealers in North America.

In Maryland, NAEDA represents 16 dealer locations. Through the sale of equipment, parts, and services, our dealer members partner with farmers and ranchers across the state to make them the world's most productive and competitive producers.

NAEDA opposes SB 990 in its current form because it misaligns warranty responsibilities with manufacturer-dealer relationships:

Structural Concerns:
SB 990 incorrectly places warranty obligations on dealers rather than manufacturers. It contradicts existing manufacturer-dealer relationships and creates confusion in warranty responsibilities, which is a misunderstanding of the dealer's role in the warranty process.

Legal Framework Issues:
Dealers serve as manufacturer's warranty service providers, not warranty issuers. Warranty terms, coverage, and obligations originate with manufacturers. Dealers cannot control warranty terms or parts availability. The current language creates improper liability for dealers.

Practical Implementation Problems:
Dealers lack control over warranty terms and parts availability, which are controlled by manufacturers. Repair timelines are, therefore, dependent on manufacturer support. Dealers cannot be expected to stock parts for instances of defect or non-conformity, which they cannot foresee. Lastly, documentation requirements belong with the warranty issuer and should not be placed on dealers.

Proposed Solutions:
NAEDA requests that this bill align with existing manufacturer-dealer relationships by placing the warranty obligations with the proper party—manufacturers. This will protect the dealer's service provider role and maintain clear lines of responsibility to protect consumers against defect and nonconformity.

For these reasons, NAEDA OPPOSES SB 990 in its current form and requests amendments to properly align warranty obligations with manufacturing responsibility while preserving the dealer's role as the manufacturer's service provider.

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