25 MGPA SB990 Ag Lemon Law.pdf Uploaded by: Lindsay Thompson

Position: FAV



Maryland Grain Producers Association 118 Dundee Ave, Chester, MD 21619 Lindsay.mdag@gmail.com (p) 443-262-8491 www.marylandgrain.com

Date: March 11, 2025

Senate Bill 990- Consumer Protection - Agricultural Equipment Warranties

Committee: Finance

MGPA Position: Support

The Maryland Grain Producers Association (MGPA) represents the interests of grain farmers who grow corn, wheat, barley, and sorghum throughout Maryland. MGPA strongly supports Senate Bill 990, which would provide critical protections for Maryland farmers who rely on agricultural equipment for their operations.

Senate Bill 990 mandates that manufacturers of agricultural equipment must replace or accept the return of equipment if a material defect is identified during the warranty period and the manufacturer is unable to repair or correct any defect or condition that substantially impairs the use and market value of the equipment.

Agricultural equipment is costly, and the expenses associated with its operation and maintenance have increased by 41% over the past two decades. This equipment is vital to nearly every aspect of farming, including field preparation, planting, treatment, harvesting, and hauling. While new equipment is typically covered by a manufacturer's warranty, farmers are often required to have repairs performed by the manufacturer's designated service providers, who are not always readily accessible. Farming is a time-sensitive industry, and farmers should not be burdened with having to continue using defective equipment simply because they cannot afford to replace it.

Senate Bill 990 would provide much-needed protections for farmers, similar to the "lemon law" protections available to vehicle owners. It ensures that farmers are not stuck with faulty equipment that hampers their productivity and profitability.

MGPA urges lawmakers to support Senate Bill 990 and ensure that Maryland farmers have the necessary protections to keep their operations running smoothly.

MDFB - Support - SB990 Consumer Protection - Agric Uploaded by: Tyler Hough

Position: FAV



Maryland Farm Bureau

3358 Davidsonville Road | Davidsonville, MD 21035 410-922-3426 | www.mdfarmbureau.com

March 11, 2025

To: Senate Finance Committee

From: Maryland Farm Bureau, Inc.

RE: Support of SB990 Consumer Protection - Agricultural Equipment Warranties

On behalf of the nearly 8,000 member families of the Maryland Farm Bureau, we write to express our strong support for Senate Bill 990, the Agricultural Equipment Warranty Enforcement Act. This legislation aligns with our longstanding policy position: "We support the state of Maryland implementing a lemon law for agricultural equipment."

Maryland farmers rely on their equipment to maintain productive and efficient operations. When agricultural machinery fails due to manufacturer defects, it can cause significant disruptions, financial burdens, and lost productivity. Unlike other consumer goods, the stakes for farmers are high—delays in planting, harvesting, and other critical tasks directly impact livelihoods.

Senate Bill 990 establishes necessary protections for Maryland's agricultural community by ensuring that manufacturers uphold their warranty commitments. By requiring timely repairs, replacement, or refunds for defective equipment, this legislation will create fairness and accountability in agricultural equipment transactions. Additionally, it will provide farmers with the same consumer protections already available in other industries.

We appreciate the General Assembly's recognition of the challenges farmers face and urge swift passage of SB990. The Maryland Farm Bureau stands ready to support this legislation and work with policymakers to ensure its successful implementation. Thank you for your leadership and commitment to Maryland's agricultural sector.

Maryland Farm Bureau Supports SB990

Tyler Hough

Director of Government Relations

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Please reach out to Tyler Hough, though@marylandfb.org, with any questions

SB 990 Sponsor Amendment.pdfUploaded by: Senator Gallion

Position: FWA



SB0990/263522/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

06 MAR 25 12:43:05

BY: Senator Gallion
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 990

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 26, strike "14–15A–04" and substitute "14–15A–05".

On page 2, after line 1, insert:

"BY repealing and reenacting, without amendments,

Article - Criminal Law

Section 6–401(b)

Annotated Code of Maryland

(2021 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,

<u>Article - Transportation</u>

Section 11–103.3 and 11–159

Annotated Code of Maryland

(2020 Replacement Volume and 2024 Supplement)".

AMENDMENT NO. 2

On page 2, in line 15, after "(B)" insert "(1)"; after line 17, insert:

"(2) "AGRICULTURAL EQUIPMENT" DOES NOT INCLUDE:

(I) AN OFF-ROAD VEHICLE AS DEFINED IN § 6-401(B) OF THE CRIMINAL LAW ARTICLE;

(II) AN ALL-TERRAIN VEHICLE AS DEFINED IN § 11–103.3 OF THE TRANSPORTATION ARTICLE;

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- (III) SPECIAL MOBILE EQUIPMENT AS DEFINED IN § 11–159 OF THE TRANSPORTATION ARTICLE;
 - (IV) EQUIPMENT UNDER 25 HORSEPOWER;
 - (V) A LAWN TRACTOR; OR
 - (VI) A LAWN MOWER.";

and after line 28, insert:

"(E) "SEASON OF USE" MEANS ANY PERIOD WHEN THE AGRICULTURAL EQUIPMENT IS ACTIVELY EMPLOYED IN THE ROUTINE OPERATIONS OF THE FARMING BUSINESS.".

On page 3, in lines 1 and 3, strike "(E)" and "(F)", respectively, and substitute "(F)" and "(G)", respectively; after line 8, insert:

"THIS SUBTITLE APPLIES ONLY TO AGRICULTURAL EQUIPMENT SOLD ON OR AFTER JANUARY 1, 2026.

<u>14-15A-03.</u>";

strike beginning with "NOTICE" in line 14 down through "EQUIPMENT" in line 16 and substitute "IT SHALL BE THE DUTY OF A DEALER TO NOTIFY THE MANUFACTURER OF ANY NOTICE RECEIVED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH"; and in line 18, after "AGENT" insert "OR DEALER".

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On page 4, strike beginning with "NOT" in line 12 down through "PRICE" in line 13.

On page 5, in line 2, after "SERVICE" insert "DURING THE SEASON OF USE"; strike beginning with the second "MANUFACTURER" in line 18 down through "CONSUMER" in line 19 and substitute "CONSUMER HAS NOT PROVIDED"; and in lines 30 and 32, in each instance, after "AFTER" insert "THE EARLIER OF 600 HOURS OF OPERATION OR".

On page 6, in lines 1 and 4, strike "**14–15A–03.**" and "**14–15A–04.**", respectively, and substitute "**14–15A–04.**" and "**14–15A–05.**", respectively; after line 13, insert:

"Article - Criminal Law

<u>6–401.</u>

- (b) (1) "Off-road vehicle" means a motorized vehicle designed for or capable of cross-country travel on or immediately over land, water, snow, ice, marsh, swampland, or other natural terrain.
 - (2) "Off-road vehicle" includes:
 - (i) a four-wheel drive or low-pressure-tire vehicle;
 - (ii) a motorcycle or a related two-wheel vehicle;
 - (iii) an amphibious machine;
 - (iv) a ground–effect vehicle; and
 - (v) an air-cushion vehicle.

Article – Transportation

11–103.3.

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| "All–terrain vehicle" means a motor vehicle tha |
|---|
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- (1) (i) Is designed for off-highway use;
 - (ii) Operates on at least three low-pressure tires;
 - (iii) Has a seat or saddle designed to be straddled by the operator;
 - (iv) Has handlebars for steering;
 - (v) Is intended by the manufacturer to be operated by a single

operator; and

- (vi) May be designed to carry one passenger; or
- (2) (i) <u>Is designed for off-highway use</u>;
 - (ii) Operates on four or more low-pressure tires;
 - (iii) Has a bench or bucket–style seating; and
 - (iv) Has a steering wheel for steering.

<u>11–159.</u>

- (a) "Special mobile equipment" means, except as provided in subsection (c) of this section, a vehicle <u>that:</u>
- (1) <u>Is not used primarily for highway transportation of people or property; and</u>
- (2) <u>Is operated or moved on a highway only as an incident to its</u> nonhighway use.
- (b) "Special mobile equipment" includes a road construction or maintenance machine, mobile crane, ditchdigger, well driller, concrete mixer, jobsite office vehicle, or portable power generator.

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Gallion

(c) "Special mobile equipment" does not include a farm tractor or any farm equipment.";

strike in their entirety lines 14 through 18, inclusive; and in line 19, strike "3." and substitute " $\underline{2}$."

MD S.B. 990 NAEDA Position Statement.pdf Uploaded by: Kipp McGuire

Position: UNF



P.O. Box 419264 · Kansas City, MO 64141-6264 · 816-561-5323 · www.naeda.com

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.

Kipp McGuire
Director of Government Affairs
North American Equipment Dealers Association