



February 4, 2026

The Honorable William C. Smith, Jr.  
Chair, Senate Judicial Proceedings Committee  
2 East Miller Senate Office Building  
Annapolis, Maryland 21401

**SB 275 - Vehicle Laws – Electric Vehicle Dealer Licenses – City of Bowie  
Position: Unfavorable**

Dear Chairman Smith:

On behalf of the Alliance for Automotive Innovation,<sup>1</sup> please accept the following comments in opposition to SB 275, which would exacerbate an existing problem in Maryland Law by allowing more manufacturer-owned automobile dealerships.

§ 15-305 prohibits direct sales of automobiles by legacy automobile manufacturers—those that have been in the marketplace for generations and sell through franchised automobile dealers. The franchise model works well for manufacturers, dealers, and consumers, and will continue to work well. That is why Auto Innovators supports the franchise model. The State should require every automaker to sell through franchised dealers.

But § 15-305 unfortunately allows direct sale automakers who have never franchised to sell directly to consumers through up to four factory-owned dealerships. SB 275 would expand that to five (if one of the dealerships is in Bowie). That means that those direct sale automakers do not have to comply with Maryland's automobile franchise law—Title 15 Subtitle 2. The carveout for direct sale manufacturers means that they compete against legacy manufacturers by playing under a different set of rules. The State should not treat competitors in the same marketplace differently. To the extent that there are already inequities, the Senate should not seek to make those inequities greater. Selling through dealers creates competitive advantages for legacy automakers, which is one reason why manufacturers like and support their dealer partners. But the franchise law that governs that relationship does have costs and limitations that the State imposes.

Consumers and competitors benefit by the law treating all competitors equally. There is no reason for this bill to expand the carveout for direct sale manufacturers. There is nothing stopping those manufacturers from selling through franchised dealers.

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<sup>1</sup>The Alliance for Automotive Innovation is the singular, authoritative, and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation now represents automakers producing the most cars and light trucks sold in the U.S., tier-one original equipment suppliers, as well as technology and other automotive-related companies. [www.autosinnovate.org](http://www.autosinnovate.org).

The Alliance for Automotive Innovation respectfully asks you to vote against this bill. For more information, please contact our local representative, Bill Kress, at (410) 375-8548.

Respectfully submitted,

A handwritten signature in black ink that reads "Josh Fisher". The signature is written in a cursive, slightly slanted style.

Josh Fisher  
Senior Director, State Affairs