

continuously in the amounts specified, to change the annual license fee schedule for Class A and B vehicle manufacturers and to base such fee upon the number of vehicles transferred by the manufacturer or distributor to the dealer, and to make certain language corrections.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That [Section 3-113.3] Sections 3-113.3 and 5-704 of Article 66 1/2 of the Annotated Code of Maryland (1970 Replacement Volume and 1972 Supplement), title "Vehicle Laws," [subtitle "Certificates of Title and Registration of Vehicles," subheading "Part I. Certificates of Title,"] subtitles, 'Certificates of Title and Registration of Vehicles,' and 'Licensing of Dealers, Wreckers, Scrap Processors, Vehicle Salesmen, Manufacturers, Distributors and Factory Branches,' respectively, subheadings 'Part I. Certificates of Title,' and 'Part VII. Manufacturers, Distributors, and Factory Branches,' respectively, is hereby repealed and re-enacted, with amendments, to read as follows:

3-113.3.

Every manufacturer transferring a new Class A motor vehicle to a dealer pursuant to the provisions of Section 3-113.1 of this Article or a used Class A motor vehicle subject to a manufacturer's express or implied warranty shall file and maintain with the Administration acceptable evidence of a surety bond in [such] THE form as the Administration shall approve in the sum of One Hundred Thousand Dollars (\$100,000.00). THE AMOUNT OF THE SURETY BOND SHALL BE BASED ON THE NUMBER OF CLASS A VEHICLES TRANSFERRED BY A MANUFACTURER TO DEALERS IN THE STATE OF MARYLAND DURING THE PRECEDING REGISTRATION YEAR, ACCORDING TO THE FOLLOWING SCHEDULE:

1 TO 50 CLASS A VEHICLES -- \$25,000.00 SURETY BOND

51 TO 500 CLASS A VEHICLES -- \$50,000.00 SURETY BOND

501 TO 10,000 CLASS A VEHICLES -- \$100,000.00 SURETY BOND

OVER 10,000 CLASS A VEHICLES -- \$300,000.00 SURETY BOND. EACH BOND SHALL REMAIN CONTINUOUSLY IN THE AMOUNTS SPECIFIED ABOVE.

THE SURETY BOND SHALL BE for the use and benefit of the Administration, a dealer, and the public who may suffer or sustain any loss by reason of the breach of any MANUFACTURER'S express or implied warranty in the sale of [such] a Class A motor vehicle by a dealer. THE ADMINISTRATION SHALL ESTABLISH REASONABLE RULES AND REGULATIONS APPLICABLE TO FILING AND MAINTAINING THE SURETY BOND. EVERY MANUFACTURER SHALL FILE ONLY ONE (1) BOND REGARDLESS OF THE NUMBER OF MAKES OF MOTOR VEHICLES MANUFACTURED. In addition, every manufacturer shall be jointly and severally liable with the dealer to the purchaser of a Class A motor vehicle, as defined herein, for the breach of any MANUFACTURER'S express or implied warranty in the sale of [such] THE Class A motor vehicle.

For the purposes of Sections 3-113.1 and 3-113.3 the term "manufacturer" shall mean: (1) A person engaged in a business of constructing or assembling vehicles of a type required to be registered under this article; or (2) A person importing [such] THE vehicles for resale; or (3) A person who distributes [such] THE vehicles of [such] THE manufacturer or importer.