

a sales branch or agency of a manufacturer, or certain distributors; prohibiting an issuance of a dealer's license to a certain manufacturer, distributor, or other person; providing a certain exception; prohibiting manufacturers, distributors, or certain persons from selling a new vehicle to a retail buyer; and generally relating to certain requirements for an issuance by the Administration of a license to deal in new vehicles.

BY repealing and reenacting, with amendments,

Article - Transportation
Section 15-305
Annotated Code of Maryland
(1984 Replacement Volume and 1985 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Transportation

15-305.

(a) A license to deal in new [Class A] vehicles may not be issued to any person unless the manufacturer or distributor of the vehicles is in compliance with the surety bond requirements of § 15-205 of this title.

(b) A license to deal in new vehicles may be issued only for[:

(1) A sales branch or agency of the manufacturer of the vehicles;

(2) A distributor of new vehicles who holds a franchise from the manufacturer of the vehicles; or

(3) A] A dealer in new vehicles who holds a franchise from:

[(i)] (1) The manufacturer of the vehicles; or

[(ii)] (2) A [franchised] distributor WHO IS AUTHORIZED BY THE MANUFACTURER OR THE MANUFACTURER'S AUTHORIZED IMPORTER of the vehicles.

(c) If an applicant for a license to deal in new vehicles seeks to qualify under subsection (b) [(2) or (3)] of this section, the applicant shall submit with the application an exact copy of the required franchise.

(d) If a franchise required by this section is terminated in accordance with § 15-209 of this title, the license of the dealer shall be suspended automatically unless, before the effective date of termination, the licensed dealer files