

May 23, 1996

The Honorable Casper R. Taylor, Jr.
Speaker of the House
State House
Annapolis MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 1214.

This bill prohibits a manufacturer, distributor, or factory branch from imposing specified requirements on a dealer or preventing the dealer from exercising certain rights. The bill also establishes procedures for a dealer to designate a successor.

Senate Bill 428, which was passed by the General Assembly and signed by me on this date, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1214.

Sincerely,
Parris N. Glendening
Governor

House Bill No. 1214

AN ACT concerning

Vehicle Laws – Vehicle Dealer Franchises and Manufacturers, Distributors, and Factory Branches

FOR the purpose of prohibiting a manufacturer, distributor, or factory branch from imposing certain requirements on a dealer relating to the utilization of the dealer's facilities or the adherence by the dealer to certain performance standards; establishing certain requirements for performance standards; prohibiting a franchise agreement or other contract offered to a dealer by a manufacturer, distributor, or factory branch from containing certain provisions; defining a certain term to include certain actions by a manufacturer, distributor, or factory branch thereby prohibiting those actions during the term of the franchise and upon its renewal except under certain circumstances; authorizing a dealer, without the prior consent of a manufacturer, distributor, or factory branch, to designate a successor to the dealership in the event of the death or incapacity of the dealer; requiring the dealer to provide certain notice of the designation of a successor to the manufacturer, distributor, or factory branch; prohibiting a manufacturer, distributor, or factory branch from exercising a certain right of first refusal under certain circumstances or preventing the dealer from designating a successor under this Act; providing for a certain hearing when a manufacturer, distributor, or factory branch objects to the designation of a successor by a dealer under this Act and providing for the right to appeal an adverse ruling of the hearing officer authorizing a designated family member to succeed a dealer in the ownership or operation of the dealership under certain circumstances; requiring the designated family member