

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

Article - Commercial Law

TITLE 19. EQUIPMENT DEALER CONTRACT ACT

SUBTITLE 1. DEFINITIONS; GENERAL PROVISIONS

19-101.

(A) IN THIS TITLE, UNLESS THE CONTEXT REQUIRES OTHERWISE, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "CONSTRUCTION", "FARM", "INDUSTRIAL", AND "OUTDOOR POWER", WHEN USED TO REFER TO TRACTORS, IMPLEMENTS, ATTACHMENTS, OR REPAIR PARTS, HAVE THE MEANINGS COMMONLY USED AND UNDERSTOOD AMONG DEALERS AND SUPPLIERS OF THOSE TRADES.

(C) "CONTRACT" MEANS A WRITTEN OR ORAL CONTRACT OR AGREEMENT BETWEEN A DEALER AND A SUPPLIER BY WHICH:

(1) THE DEALER IS GRANTED THE RIGHT TO SELL THE SUPPLIER'S EQUIPMENT; AND

(2) THE DEALER IS REQUIRED TO ORDER AND MAINTAIN AN INVENTORY IN EXCESS OF \$25,000 AT CURRENT NET PRICE FROM THE SUPPLIER.

(D) "CURRENT NET PRICE" MEANS THE PRICE LISTED IN THE SUPPLIER'S PRICE LIST IN EFFECT AT THE TIME THE CONTRACT AGREEMENT IS TERMINATED, LESS ANY APPLICABLE DISCOUNT ALLOWED.

(E) "DEALER" MEANS A PERSON:

(1) ENGAGED IN THE BUSINESS OF SELLING, AT RETAIL, CONSTRUCTION, FARM, INDUSTRIAL, OR OUTDOOR POWER EQUIPMENT;

(2) MAINTAINING A TOTAL INVENTORY, VALUED AT OVER \$50,000, OF NEW EQUIPMENT AND REPAIR PARTS; AND

(3) PROVIDING REPAIR SERVICE FOR THE EQUIPMENT SOLD.

(F) "INVENTORY" MEANS THE TRACTORS, IMPLEMENTS, ATTACHMENTS, EQUIPMENT, OR REPAIR PARTS THAT A DEALER PURCHASED FROM A SUPPLIER.

(G) "NET COST" MEANS THE PRICE THE DEALER PAID THE SUPPLIER FOR THE INVENTORY, LESS ALL APPLICABLE DISCOUNTS ALLOWED, PLUS THE AMOUNT THE DEALER PAID FOR FREIGHT COSTS FROM THE SUPPLIER'S LOCATION TO THE DEALER'S LOCATION, PLUS THE REASONABLE COST OF ASSEMBLY PERFORMED BY THE DEALER.