

CHAPTER 6

(Senate Bill 96)

AN ACT concerning

Vehicle Laws - Dealer's Surety Bond - Trailers and Semitrailers

FOR the purpose of establishing a required surety bond level based on certain vehicle sales for dealers licensed to sell trailers and semitrailers of a certain length; and generally relating to surety bonds for vehicle dealers.

BY repealing and reenacting, with amendments,

Article - Transportation

Section 15-308

Annotated Code of Maryland

(2002 Replacement Volume)

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

Article - Transportation

15-308.

(a) (1) After the Administration notifies an applicant of the approval of an application and before the Administration issues a license, the applicant shall file with the Administration a surety bond in the form and with the surety that the Administration approves.

(2) The bond shall be for the applicant's primary location and all supplemental locations if all of the locations are licensed under the same dealer business license number.

(b) The amount of the surety bond shall be:

(1) For a licensee who is licensed to deal only in trailers or semitrailers 15 feet or less in length, or only in boat trailers of any size\$5,000;

(2) For a licensee who is licensed to deal in the sale of new motor vehicles, an amount based on the number of new motor vehicle sales during the preceding license year, according to the following schedule:

(i) 1 to 500 vehicles.....\$50,000;

(ii) 501 to 1,000 vehicles.....\$75,000;

(iii) 1,001 to 2,500 vehicles\$100,000; and

(iv) Over 2,500 vehicles.....\$300,000.

(3) For a licensee who is licensed to deal only in the sale of used motor vehicles, including wholesalers, OR A LICENSEE WHO IS LICENSED TO DEAL IN THE