

D-01-19-01

Date: January 14, 2019
Bulletin: Manufacturers, Distributors, and Factory Branches
From: Business Licensing and Consumer Services
RE: Maryland Transportation Article Section §15-212 (Warranty Payment Guidelines)

The Maryland Department of Transportation Motor Vehicle Administration (MDOT MVA) is writing to remind licensed automobile manufacturers of Transportation Article Section §15-212 on the issue of warranties.

Specifically, manufacturers should not:

Take adverse action against a dealer because the dealer seeks compensation under this section, by:

- 1) *Implementing a process that is inconsistent with the licensee's obligations to the dealer under this subtitle; or*
- 2) *Failing to act in good faith.*

Additionally, Maryland law prohibits the use of retaliatory auditing. A manufacturer shall not:

Conduct any warranty or retail customer repair audit or other service-related audit, solely because the dealer makes a request for warranty reimbursement at retail rates in the ordinary course of business;

Please be aware, Maryland Transportation Article Section §15-212(d) allows MDOT MVA the authority to issue sanctions against licensees who violate these sections.

If you have any questions or concerns, please contact us at (410) 787-2950 or email at mvaoblcsd@mva.maryland.gov.