



One Park Place | Suite 475 | Annapolis, MD 21401-3475
1-866-542-8163 | Fax: 410-837-0269
aarp.org/md | md@aarp.org | twitter: @aarpm
facebook.com/aarpm

**HB 274 Vehicle Laws – Manufacturers and Dealers – Prices Listed on Dealer
Website
House Economic Matters Committee
FAVORABLE
February 9, 2022**

Good afternoon Chairman Wilson and members of the House Economic Matters Committee. My name is Karen Kalla, member of the AARP Maryland Executive Council and resident of Anne Arundel County. AARP Maryland is one of the largest membership-based organizations in Maryland, encompassing more than 850,000 members. AARP Maryland is proud to support HB 274. We thank you for this opportunity to provide testimony. We also want to thank Delegates Qi, Henson, and Ruth for sponsoring this important piece of legislation.

AARP is a non-partisan, non-profit nationwide organization that strengthens communities and advocates on those issues that most matter to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse.

We are pleased to support House Bill 274 that would allow Maryland auto dealers that want to list the purchase price of a car on their website or virtual showroom – much like they can already do in their physical showrooms – to do so without fear of retribution from the global auto manufacturers. Car shoppers face an unusual problem; the prices they find online can be \$1,500 or more higher than those available in the showroom. This is because many car makers have imposed Minimum Allowable Advertise Price rules on their dealers. Dealers that do not adhere to these rules can be punished by the manufacturers thus coercing the dealers to comply.

House Bill 274 addresses this issue by stating that auto manufacturers may not prohibit a dealer from listing a vehicle on the dealer's website at the purchase price; coerce a dealer to list a price on the dealer's website that is different from the purchase price of the vehicle; or take adverse action against a dealer for listing a vehicle...at a particular price on the dealer's website. With more and more individuals shopping online for cars and with cars becoming scarce during the pandemic, online shoppers deserve to know the true purchase price of

automobiles. They should not have to pay more for a vehicle simply because it was purchased online.

Older adults are major contributors to the U.S. economy through consumer spending. This spending, however, must take place in a healthy and honest marketplace. In such a fair and vibrant marketplace, older adults have the power to make informed choices about the options that best serve their needs at an affordable price. They should also have the knowledge that if a company violates their trust or attempts to unfairly dominate the market, there will be pathways to effective redress for them and their communities. Policymakers should protect consumers against unfair, deceptive, or abusive practices. They should protect against anticompetitive practices, promote robust competition, and protect against excessive market concentration.

For these reasons AARP Maryland supports HB 274 Vehicle Laws – Manufacturers and Dealers – Prices Listed on Dealer Website and respectfully requests the House Economic Matters Committee to issue a favorable report. For questions, please contact Tammy Bresnahan, Director of Advocacy for AARP Maryland at tbresnahan@aarp.org or by calling 410-302-8451.