Department of Legislative Services

Maryland General Assembly 2009 Session

FISCAL AND POLICY NOTE Revised

Senate Bill 342

(Senator Pugh, et al.)

Finance

Economic Matters

Consumer Protection - Fur Labeling Requirements for Articles of Clothing

This bill prohibits a merchant from selling, displaying, or offering for sale an article of clothing made of animal fur unless an identifying label or tag is attached to the clothing. A merchant is exempt from the bill's labeling requirements if the merchant sells used clothing made of animal fur. If a merchant receives written assurance from a manufacturer or supplier that an article of clothing is properly labeled, that merchant is not liable under the bill, unless the merchant has reason to believe the assurance is false. Violation of the bill is punishable by a monetary penalty up to \$25 for a first violation and up to \$150 for each subsequent violation in a civil action initiated by the Attorney General. Each article of clothing not properly tagged in accordance with the bill's provisions does not constitute a separate violation.

The bill takes effect July 1, 2011.

Fiscal Summary

State Effect: Negligible increase in general fund revenues due to the bill's imposition of civil penalties. If the Consumer Protection Division of the Office of the Attorney General receives fewer than 50 complaints per year stemming from the bill, the additional workload can be handled with existing resources.

Local Effect: The bill does not directly affect local finances or operations.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: The bill defines animal fur as animal skin with hair, fleece, or fur fibers attached, either in a raw or processed state. A merchant may not sell, offer for sale, or display for sale clothing containing animal fur unless a label or tag identifying the species of the animal and the country of origin is:

- added to the permanent or temporary tag of the article of clothing; or
- affixed to the article of clothing by sticker in a conspicuous place.

Current Law/Background: State statutory law is silent on required labeling for fur products. In 1951, the U.S. Congress passed the Fur Products Labeling Act (FPLA), which requires labeling of fur clothing to include the species of the animal fur, the manufacturer, the country of origin, and other information relevant for consumer awareness. FPLA includes an exemption for products with relatively small quantity or value of fur and authorizes the Federal Trade Commission (FTC) to regulate that amount. In 1998, FTC increased the minimum value of fur that requires a label from \$20 to \$150. Since 1997, the U.S. Humane Society has reported an increasing number of foreign clothing manufacturers that facilitate the breeding and slaughter of domestic companion animals for use of their fur in consumer products. Many of these products are falsely labeled and sold to U.S. wholesalers for retail distribution.

Additional Information

Prior Introductions: HB 834 of 2008 received an unfavorable report from the House Economic Matters Committee.

Cross File: HB 208 (Delegate Hucker, et al.) - Economic Matters.

Information Source(s): Office of the Attorney General (Consumer Protection Division), Department of Legislative Services

Fiscal Note History: First Reader - February 4, 2009

mlm/lim Revised - Senate Third Reader - April 8, 2009

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