

# HOUSE BILL 878

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3lr1703

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By: **Delegates V. Turner, Cullison, Elliott, Hubbard, Murphy, and Reznik**  
Introduced and read first time: February 7, 2013  
Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection – Store Credit Cards for Rebates and Returned**  
3 **Merchandise – Required Notice**

4 FOR the purpose of prohibiting a merchant from requiring a consumer to accept a  
5 certain store credit card, instead of cash, a check, or a credit to certain accounts,  
6 for a rebate or returned merchandise unless the merchant displays at a certain  
7 location a notice disclosing in a certain manner a certain policy of the merchant;  
8 providing that a violation of this Act is an unfair or deceptive trade practice  
9 under the Maryland Consumer Protection Act and is subject to certain  
10 enforcement and penalty provisions; defining certain terms; and generally  
11 relating to the use of store credit cards by merchants for rebates and returned  
12 merchandise.

13 BY adding to

14 Article – Commercial Law  
15 Section 14–1319.1  
16 Annotated Code of Maryland  
17 (2005 Replacement Volume and 2012 Supplement)

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

20 **Article – Commercial Law**

21 **14–1319.1.**

22 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**  
23 **MEANINGS INDICATED.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1                   (2)    “CONSUMER” HAS THE MEANING STATED IN § 13-101 OF THIS  
2 ARTICLE.

3                   (3)    “MERCHANDISE” HAS THE MEANING STATED IN § 13-101 OF  
4 THIS ARTICLE.

5                   (4)    “MERCHANT” HAS THE MEANING STATED IN § 13-101 OF THIS  
6 ARTICLE.

7                   (5)    “STORE CREDIT CARD” MEANS A DEVICE CONSTRUCTED OF  
8 PAPER, PLASTIC, OR ANY OTHER MATERIAL THAT:

9                                (I)    IS ISSUED AS STORE CREDIT FOR A REBATE OR  
10 RETURNED MERCHANDISE BY A SINGLE MERCHANT OR AN AFFILIATED GROUP  
11 OF MERCHANTS THAT SHARE THE SAME NAME, MARK, OR LOGO; AND

12                               (II)   MAY BE USED ONLY TO PURCHASE MERCHANDISE AT  
13 THE STORE OF THE ISSUING MERCHANT OR AFFILIATED GROUP OF MERCHANTS  
14 THAT SHARE THE SAME NAME, MARK, OR LOGO.

15                   (B)    A MERCHANT MAY NOT REQUIRE A CONSUMER TO ACCEPT A STORE  
16 CREDIT CARD, INSTEAD OF CASH, A CHECK, OR A CREDIT TO THE CONSUMER’S  
17 CREDIT OR DEBIT CARD ACCOUNT, FOR A REBATE OR RETURNED MERCHANDISE  
18 UNLESS THE MERCHANT DISPLAYS AT THE POINT OF SALE OF THE  
19 MERCHANDISE A NOTICE THAT CLEARLY AND CONSPICUOUSLY DISCLOSES TO  
20 THE CONSUMER THE MERCHANT’S POLICY ON REBATES AND RETURNED  
21 MERCHANDISE.

22                   (C)    A VIOLATION OF THIS SECTION:

23                               (1)    IS AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE  
24 MEANING OF TITLE 13 OF THIS ARTICLE; AND

25                               (2)    IS SUBJECT TO THE ENFORCEMENT AND PENALTY  
26 PROVISIONS CONTAINED IN TITLE 13 OF THIS ARTICLE, EXCEPT § 13-411 OF  
27 THIS ARTICLE.

28                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
29 October 1, 2013.