

HOUSE BILL 1218

I3, I2

EMERGENCY BILL

3lr2841

By: **Delegates Szeliga and Aumann**

Introduced and read first time: February 8, 2013

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection – Payment by Credit Card – Prohibition of Surcharge**

3 FOR the purpose of prohibiting a certain merchant from imposing a certain surcharge
4 on a buyer who elects to use a credit card to make payment in a certain sales
5 transaction; providing that this Act does not prohibit a merchant from offering a
6 discount for a certain purpose if the discount is offered to all prospective buyers;
7 providing that a violation of this Act is an unfair or deceptive trade practice
8 within the meaning of the Maryland Consumer Protection Act and is subject to
9 certain penalty and enforcement provisions; defining certain terms; making this
10 Act an emergency measure; and generally relating to surcharges for making
11 payments by credit card.

12 BY repealing and reenacting, with amendments,
13 Article – Commercial Law
14 Section 13–301(14)(xxiii)
15 Annotated Code of Maryland
16 (2005 Replacement Volume and 2012 Supplement)

17 BY adding to
18 Article – Commercial Law
19 Section 14–1324
20 Annotated Code of Maryland
21 (2005 Replacement Volume and 2012 Supplement)

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

24 **Article – Commercial Law**

25 13–301.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Unfair or deceptive trade practices include any:

2 (14) Violation of a provision of:

3 (xxiii) Section 14–1319, § 14–1320, [or] § 14–1322, **OR § 14–1324**
4 of this article;

5 **14–1324.**

6 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
7 MEANINGS INDICATED.

8 (2) “CONSUMER GOODS” HAS THE MEANING STATED IN § 13–101
9 OF THIS ARTICLE.

10 (3) “CONSUMER SERVICES” HAS THE MEANING STATED IN §
11 13–101 OF THIS ARTICLE.

12 (4) “MERCHANT” HAS THE MEANING STATED IN § 13–101 OF THIS
13 ARTICLE.

14 (5) “SURCHARGE” MEANS ANY ADDITIONAL AMOUNT THAT:

15 (I) IS IMPOSED BY A MERCHANT AT THE TIME OF A SALES
16 TRANSACTION FOR THE PRIVILEGE OF USING A CREDIT CARD TO MAKE
17 PAYMENT; AND

18 (II) INCREASES THE SALES COST TO A BUYER.

19 (B) IN A SALES TRANSACTION FOR CONSUMER GOODS OR CONSUMER
20 SERVICES, A MERCHANT THAT ACCEPTS PAYMENT BY CREDIT CARD MAY NOT
21 IMPOSE A SURCHARGE ON A BUYER WHO ELECTS TO PAY BY CREDIT CARD
22 INSTEAD OF BY CASH, CHECK, OR SIMILAR MEANS.

23 (C) THIS SECTION DOES NOT PROHIBIT A MERCHANT FROM OFFERING A
24 DISCOUNT FOR THE PURPOSE OF INDUCING PAYMENT BY CASH, CHECK, OR
25 SIMILAR MEANS NOT INVOLVING THE USE OF A CREDIT CARD IF THE DISCOUNT
26 IS OFFERED TO ALL PROSPECTIVE BUYERS.

27 (D) A VIOLATION OF THIS SECTION IS:

28 (1) AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE
29 MEANING OF TITLE 13 OF THIS ARTICLE; AND

1 **(2) SUBJECT TO THE PENALTY AND ENFORCEMENT PROVISIONS**
2 **CONTAINED IN TITLE 13 OF THIS ARTICLE.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
4 measure, is necessary for the immediate preservation of the public health or safety,
5 has been passed by a yea and nay vote supported by three-fifths of all the members
6 elected to each of the two Houses of the General Assembly, and shall take effect from
7 the date it is enacted.