



# Montgomery County

## Office of Intergovernmental Relations

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**SB 24**

**DATE: January 31, 2024**

**SPONSOR: Senator Kagan**

**ASSIGNED TO: Finance**

**CONTACT PERSON: Kathleen Boucher (Kathleen.boucher@montgomerycountymd.gov)**

**POSITION: Support (Office of Consumer Protection)**

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### **Consumer Protection – Retail Sales – Return and Exchange Policy (Right to Refund Information Act)**

Full disclosure is an important underpinning of consumer protection and integrity in our marketplace. Current State regulations governing refund and exchange policies fail to ensure that a merchant has fully disclosed the terms of the merchant's policy before the transaction is completed. Unfortunately, the regulations allow a merchant to have the option of only disclosing the terms of a merchant's refund and exchange policy on the receipt after the consumer has paid for the purchase.

The intent of the current law is admirable and necessary. It is essential for consumers and merchants to know the terms of a refund or exchange policy before the transaction is consummated. When a merchant's refund and exchange policy is only provided to a consumer after the consumer has made payment, the consumer does not have full disclosure of the merchant's refund and exchange policies prior to making the purchase.

This bill will codify in Maryland's Consumer Protection Act that disclosure of refund and exchange policies must be provided before a consumer pays for the merchandise; and cannot only be disclosed on a merchant's receipt.

This bill serves to ensure the intent of current law, which is to require complete and timely disclosure to consumers. The Montgomery County Office of Consumer Protection frequently receives questions and complaints regarding refund and exchange policies and we respectfully request that the Finance Committee give this bill a favorable report.