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SB24: Refund Policy Update

Senate Finance Committee

Wednesday, January 31, 2024 at 1:00 PM

Imagine a consumer purchasing a sweater in a store. After checking out, he receives a receipt. He later tries on the sweater at home, only to find it's too small. Consulting the receipt, he discovers the store's policy that all sales are final. He cannot get his money back. Had the consumer been aware of this policy, he might have hesitated before making the purchase. The store, however, was in compliance with MD law.

Currently, merchants must post their refund policy:

- On clearly visible signs;
- On merchandise; **OR**
- On sales receipts.

Consumers will not see a return policy on a receipt until **after** the transaction, denying them the ability to make informed decisions before the purchase.

[SB24](#) (the "Right to Refund Information Act") would require that merchants display their return policy on a price tag; at the point of sale; or on a webpage a consumer must view before paying online. This bill was requested by the Montgomery County Office of Consumer Affairs. The Attorney General's Consumer Protection Division testified in favor of both this year's and last year's identical bill ([SB179](#)).

Merchants may still decide not to accept returns, but consumers deserve to know the ramifications of their purchasing decisions **before** paying.

Thirteen states ([CA](#), [CT](#), [FL](#), [HI](#), [MA](#), [MN](#), [NJ](#), [NY](#), [OH](#), [RI](#), [UT](#), [VT](#), [VA](#)) already require retailers to display their return policy prior to in-person purchases; Utah regulates phone and online purchases as well. Let's be the fourteenth!

I urge a favorable report on SB24.