

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 28 (Delegate Fulton)
Economic Matters

Consumer Protection - Weight Loss Programs

This bill prohibits a “weight loss program” from making a guarantee on the amount of weight loss a person is expected to lose while participating in the program. Weight loss programs must notify program participants in writing of certain information before entering into a contract with the participant. Weight loss programs offering prepackaged or premeasured foods must provide participants with a disclaimer stating that purchasing such items are not necessary to lose weight. The bill enables participants to cancel the program within three business days. Violations are unfair and deceptive trade practices.

Fiscal Summary

State Effect: None. Assuming that the Consumer Protection Division will receive fewer than 50 complaints per year stemming from this bill, existing resources should be adequate to handle any additional workload. Any recovery of costs by the Attorney General resulting from actions brought under unfair and deceptive trade practices recovery provisions is indeterminate.

Local Effect: None.

Small Business Effect: Minimal impact on small businesses as discussed below.

Fiscal Analysis

Small Business Effect: The number of businesses offering weight loss programs is unknown but likely includes some small businesses. This legislation would increase certain business costs associated with providing written notices and certain disclaimers pertaining to prepackaged food products to program participants. However, any such costs associated with these requirements are not expected to significantly impact the facilities’ profits or work

force. Further, it is assumed that only a small number of individuals would cancel a weight loss contract within the three day time period.

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

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