

(PRE-FILED)

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By: **Delegate Conroy**

Requested: September 22, 1997

Introduced and read first time: January 14, 1998

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection - Payments by Check - Forms of Identification**

3 FOR the purpose of altering certain provisions of the Maryland Consumer Protection

4 Act to prohibit a person from requiring a drawer of a check or other draft to be

5 the holder of a credit card or to furnish any information about the drawer's

6 credit card as a condition of accepting a check or other draft as payment for

7 consumer credit, goods, realty, or services under certain circumstances;

8 providing a certain exception; and generally relating to forms of identification a

9 person may require as a condition of accepting payments made by check.

10 BY repealing and reenacting, with amendments,

11 Article - Commercial Law

12 Section 13-318

13 Annotated Code of Maryland

14 (1990 Replacement Volume and 1997 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Commercial Law**

18 13-318.

19 (a) (1) In this section, the following words have the meanings indicated.

20 (2) "Drawer" means the individual who makes or signs a check or other  
21 draft.

22 (3) "Draft" does not include a credit or debit card sales draft.

23 (b) Subject to [the provisions of] subsection (c) of this section, as a condition of  
24 accepting a check or other draft as payment for consumer credit, goods, realty, or  
25 services, a person may not [request]:

1           (1)     REQUIRE THE DRAWER OF THE CHECK OR OTHER DRAFT TO BE THE  
2 HOLDER OF A CREDIT CARD OR TO FURNISH ANY INFORMATION ABOUT THE  
3 DRAWER'S CREDIT CARD IF THE DRAWER PROVIDES AN ALTERNATIVE FORM OF  
4 IDENTIFICATION THAT:

5                   (I)     HAS BEEN ISSUED BY AN EMPLOYER, GOVERNMENTAL AGENCY,  
6 EDUCATIONAL INSTITUTION, OR OTHER BONA FIDE ENTITY; AND

7                   (II)    CONTAINS A PHOTOGRAPH OF THE DRAWER; OR

8           (2)     REQUEST or record the account number of any credit card of the  
9 drawer of the check or other draft.

10   (c)     The provisions of this section do not prohibit a person from [:

11           (1)     Requesting the drawer to display a credit card for purposes only of  
12 identification or credit worthiness;

13           (2)     Requesting or recording the type or issuer of a credit card of the  
14 drawer; or

15           (3)     Recording]RECORDING the number and expiration date of a credit  
16 card if the person requesting the information has agreed with the credit card issuer to  
17 cash checks as a service to the issuer's cardholders and the issuer has agreed to  
18 guarantee payment of cardholder checks cashed by that person.

19   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 October 1, 1998.