

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

Senate Bill 88 (Senator Conway)

Finance

Consumer Protection - Restocking and Return Fees

This bill prohibits a merchant from charging a consumer who returns merchandise a restocking or return fee that exceeds: (1) 10% of the purchase price of the merchandise, if the purchase price was under \$1,000; or (2) \$100, if the purchase price was greater than \$1,000. However, the restocking fee prohibition only applies if the merchandise malfunctioned, the packaging is not opened, or the return is required by error of the manufacturer, wholesaler, or retailer.

Fiscal Summary

State Effect: None. Assuming that the Consumer Protection Division receives fewer than 50 complaints per year relating to restocking and return fees, it could absorb any additional costs within existing resources.

Local Effect: None.

Small Business Effect: Minimal. This bill will prohibit small businesses from charging restocking and return fees greater than \$100. Those small businesses which currently charge fees greater than \$100 may lose revenues as a result of this bill.

Information Source: Attorney General's Office

Fiscal Note History: First Reader - January 19, 1999
ncs/jr

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