

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

Senate Bill 635 (Senator Hafer)

Judicial Proceedings

Maryland Real Estate Time-Sharing Act - Promotional Devices - Disclosure

This bill allows the use of a promotional device, including sweepstakes, gift awards, lodging certificates, or discounts, to solicit the purchase of time-shares or to offer other merchandise or services to prospective buyers if the following disclosures are made: (1) the purpose of the promotion is the solicitation of the acquisition of time-shares; (2) the retail value of the merchandise or services; (3) the requirement, if any, to attend a sales presentation; and (4) any other rules, terms, requirements, or preconditions that must be filled in order to claim the merchandise or services.

Fiscal Summary

State Effect: Assuming that the Consumer Protection Division receives fewer than 50 complaints per year stemming from this bill, any additional workload could be handled with existing resources.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: It is unlawful for any person to use any promotional device, including sweepstakes, gift awards, lodging certificates, or discounts, with the intent to solicit the acquisition of time-shares without disclosing that purpose. It is unlawful to use a promotional device to solicit the purchase of a time-share or to offer merchandise or services to a prospective purchaser without clearly disclosing the retail value. No promotional device may involve any elements of chance as to the selection or award of particular merchandise or

services.

Additional Information

Prior Introductions: A substantially similar bill was introduced in the 1999 session as HB 438 and was not reported out of the Senate Judicial Proceedings Committee.

Cross File: HB 787 (Delegate Krysiak, *et al.*) - Economic Matters.

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

Fiscal Note History: First Reader - February 22, 2000
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