
By: **Delegates Doory, Bobo, Dobson, Mandel, McIntosh, Riley, and Snodgrass**

Introduced and read first time: February 9, 2001
Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Credit Cards - Solicitations to Students - Guidelines - Maryland Higher**
3 **Education Commission**

4 FOR the purpose of requiring the Maryland Higher Education Commission to
5 establish and periodically update written guidelines concerning the solicitation
6 of students by a credit card issuer on the campus of an institution of higher
7 education; requiring the guidelines to include certain provisions; authorizing the
8 Commission to obtain input from certain persons in establishing and updating
9 the guidelines; requiring an institution of higher education to comply with the
10 guidelines under certain circumstances; defining certain terms; and generally
11 relating to guidelines concerning credit card solicitations to students and the
12 Maryland Higher Education Commission.

13 BY adding to
14 Article - Education
15 Section 11-404
16 Annotated Code of Maryland
17 (1999 Replacement Volume and 2000 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Education**

21 11-404.

22 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
23 INDICATED.

24 (2) "CREDIT CARD" MEANS A CARD OR DEVICE ISSUED UNDER AN
25 AGREEMENT BY WHICH THE CREDIT CARD ISSUER GIVES TO A CARDHOLDER
26 RESIDING IN THE STATE THE PRIVILEGE OF OBTAINING CREDIT FROM THE CREDIT
27 CARD ISSUER OR ANOTHER PERSON IN CONNECTION WITH THE PURCHASE OR LEASE
28 OF GOODS OR SERVICES PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE.

1 (3) "CREDIT CARD ISSUER" MEANS A FINANCIAL INSTITUTION, A
2 LENDER OTHER THAN A FINANCIAL INSTITUTION, OR A MERCHANT THAT RECEIVES
3 APPLICATIONS AND ISSUES CREDIT CARDS TO INDIVIDUALS.

4 (B) THE COMMISSION SHALL ESTABLISH AND PERIODICALLY UPDATE
5 WRITTEN GUIDELINES CONCERNING THE SOLICITATION OF STUDENTS BY A CREDIT
6 CARD ISSUER ON THE CAMPUS OF AN INSTITUTION OF HIGHER EDUCATION.

7 (C) THE GUIDELINES SHALL INCLUDE PROVISIONS CONCERNING:

8 (1) THE DISTRIBUTION ON CAMPUS OF MATERIALS ABOUT AND
9 APPLICATIONS FOR CREDIT CARDS;

10 (2) THE TIME, LOCATION, AND FREQUENCY OF SOLICITATIONS ON
11 CAMPUS;

12 (3) THE DISTRIBUTION OF GIFTS OR PROMOTIONAL ITEMS ASSOCIATED
13 WITH SOLICITATIONS ON CAMPUS; AND

14 (4) EDUCATIONAL LITERATURE AND PROGRAMS FOR STUDENTS ABOUT
15 THE USE OF CREDIT CARDS.

16 (D) IN ESTABLISHING AND UPDATING THE GUIDELINES, THE COMMISSION
17 MAY OBTAIN INPUT FROM THE STUDENT LIFE OFFICES AND STUDENT
18 GOVERNMENTS AT THE INSTITUTIONS OF HIGHER EDUCATION.

19 (E) (1) THE PROVISIONS OF THIS SECTION MAY NOT BE CONSTRUED TO
20 REQUIRE THE GOVERNING BODY OF AN INSTITUTION OF HIGHER EDUCATION TO
21 PERMIT THE SOLICITATION OF STUDENTS BY A CREDIT CARD ISSUER ON THE
22 CAMPUS OF THE INSTITUTION OF HIGHER EDUCATION.

23 (2) IF THE GOVERNING BODY OF AN INSTITUTION OF HIGHER
24 EDUCATION PERMITS THE SOLICITATION OF STUDENTS BY A CREDIT CARD ISSUER
25 ON THE CAMPUS OF THE INSTITUTION OF HIGHER EDUCATION, THE INSTITUTION OF
26 HIGHER EDUCATION SHALL COMPLY WITH THE GUIDELINES ESTABLISHED BY THE
27 COMMISSION UNDER THIS SECTION.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
29 effect October 1, 2001.