

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 959 Delegate Pitkin, et al.)
Commerce and Government Matters

Consumer Protection - Credit Cards - Student Applicants

This bill requires credit card issuers that conduct credit card marketing activities on a campus of a higher education institution to provide a program of education, with specific minimum content, on the responsible use of credit to students on that campus and their families prior to or contemporaneous with any on-campus marketing activity. A credit card may not be issued to a student at a higher education institution unless the student's application includes proof that the applicant has attended the credit educational program. The bill prohibits credit card issuers from purchasing or otherwise obtaining from a higher education institution the names or addresses of the students at the institution. The bill also prohibits credit card issuers from offering gifts or other promotional incentives to students at a higher education institution in connection with an application for a credit card.

Fiscal Summary

State Effect: Potential minimal decrease in revenues to the University System of Maryland (USM). Enforcement could be handled with existing resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: None applicable.

State Revenues: USM advises that at least one of its institutions, the University of Maryland, College Park, contracts with credit card issuers for credit card solicitations on campus, including the placement of applications in book bags. Unrestricted fund revenues could decrease to the extent payments by credit card issuers are reduced under this type of contract.

Additional Information

Prior Introductions: Identical legislation, HB 1155, was introduced in the 2000 session and received an unfavorable report from the House Commerce and Government Matters Committee.

Cross File: None.

Information Source(s): Maryland Higher Education Commission, University System of Maryland, Department of Legislative Services

Fiscal Note History: First Reader – February 22, 2001
cm/jr

Analysis by: Ryan Wilson

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510