

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE
Revised

House Bill 118
Economic Matters

(Delegate Dembrow)

Judicial Proceedings

Commercial Law - Artisan's Lien - Notice Requirements for Prepaid Goods

This bill authorizes a launderer or dry cleaner, when laundering or dry cleaning services are prepaid but the goods have not been retrieved within six months, to donate the goods to a local tax-exempt organization. In order to donate the goods, a launderer or dry cleaner must: (1) have posted a notice that clothing must be retrieved within six months or is subject to disposal; and (2) at least 30 days before disposing of the goods, either mail written notice to the owner's last known address or, if no address is known, attempt calling the owner's last known telephone number.

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: Potential minimal.

Analysis

Current Law: An artisan who, with the consent of the owner, has possession of goods for repair, mending, improving, dry cleaning, laundering, or other work which includes storage of goods in the case of a dry cleaner or launderer, has a lien on the goods for the cost of the work done.

If the bill for the work done on the goods remains unpaid for 90 days after the work is completed on the goods or, in the case of a dry cleaner or launderer, the goods are due to be retrieved from storage, the artisan may sell the goods at a public or private sale. The artisan, launder, or dry cleaner must post a notice in the premises stating that clothing must be retrieved in 90 days or it will be subject to sale. The artisan must give 30 days notice before any sale or disposal by mailing to the owner's last known address, or if the address is unknown, by: (1) posting a notice on the county courthouse where the work was done; (2) publishing the notice once a week for two weeks in a newspaper of general circulation; or (3) posting the notice on the artisan's premises and imprinting the notice on the receipt or invoice given to the owner.

Proceeds of the sale are applied in the following order: (1) to the costs of the sale; (2) to the amount of the lien claim; and (3) to the owner of the goods.

As an alternative to the sale of the goods, if the bill remains unpaid for six months after dry-cleaned or laundered goods are due to be retrieved from storage, the dry cleaner or launderer may dispose of the goods in any manner. The artisan, dry cleaner, or launderer must post a notice on the premises stating that clothing must be retrieved in six months or may be disposed.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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