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2004 Regular Session 4lr2483

By: Delegate Glassman

Introduced and read first time: February 6, 2004

Assigned to: Economic Matters

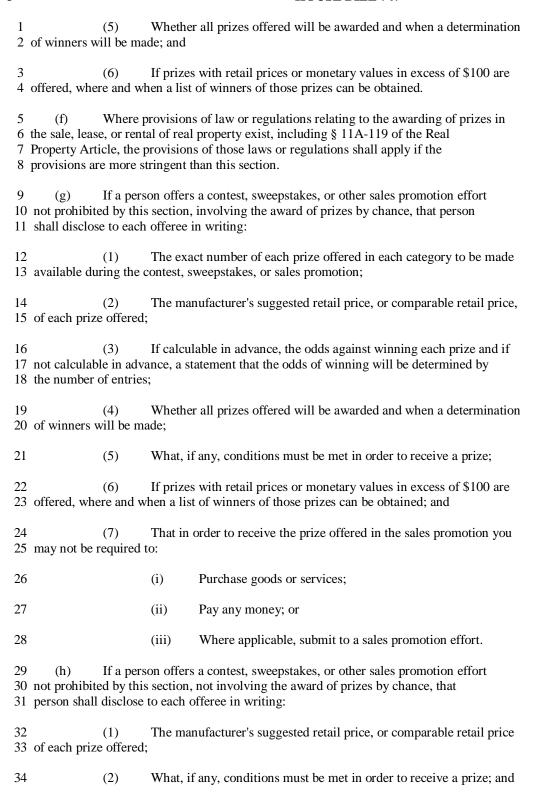
A BILL ENTITLED

1	ΛN	ACT	concerning
1	AIN	ACI	concerning

- 2 Consumer Protection Prizes and Awards Conditioned on Purchase or Sales
 Promotion
- 4 FOR the purpose of altering the civil penalty for a merchant that notifies another
- 5 person by any means, as part of an advertising scheme or plan, that the other
- 6 person has won a prize, received an award, or has been selected or is eligible to
- 7 receive anything of value if the other person is required to purchase goods or
- 8 services, pay any money to participate in, or submit to a sales promotion effort;
- and generally relating to a merchant that notifies another person that the
- person has won a prize or award if the person is required to purchase goods or
- services or pay money in connection with a sales promotion effort.
- 12 BY repealing and reenacting, without amendments,
- 13 Article Commercial Law
- 14 Section 13-305
- 15 Annotated Code of Maryland
- 16 (2000 Replacement Volume and 2003 Supplement)
- 17 BY repealing and reenacting, with amendments,
- 18 Article Commercial Law
- 19 Section 13-410
- 20 Annotated Code of Maryland
- 21 (2000 Replacement Volume and 2003 Supplement)
- 22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 23 MARYLAND, That the Laws of Maryland read as follows:
- 24 Article Commercial Law
- 25 13-305.
- 26 (a) This section does not apply to:
- 27 (1) Trading stamps, as defined by § 13-101 of the Business Regulation
- 28 Article;

2	of the State ((2) Governm		tery tickets issued under the authority of Title 9, Subtitle 1 e;			
			umer goo	comotions, not involving the offer of gifts and prizes, which ds or services including "one-cent sales", or manufacturer's "cents-off" coupons; or			
6		(4)	Games o	of skill competition not involving sales promotion efforts.			
9 10	(b) A person may not notify any other person by any means, as part of an advertising scheme or plan, that the other person has won a prize, received an award, or has been selected or is eligible to receive anything of value if the other person is required to purchase goods or services, pay any money to participate in, or submit to a sales promotion effort.						
14	(c) In addition to the exceptions provided in subsection (a) of this section, subsection (b) of this section does not prohibit the offer of prizes requiring the person to purchase other goods and services if the retail price of the prize offered does not exceed the greater of:						
16		(1)	\$40; or				
17		(2)	The less	er of:			
18 19	purchased; o	or	(i)	20% of the purchase price of the goods or services that must be			
20			(ii)	\$400.			
23	(d) The exception provided in subsection (c) of this section does not apply to the offer of a prize requiring the person either to pay any money to participate in or to submit to a sales promotion effort, or to a prize promotion involving the award of prizes by chance.						
	(e) When a person offers prizes in a sales promotion effort relating to the sale, lease, or rental of real property not prohibited by this section, that person shall disclose to each offeree, in writing, clearly and conspicuously:						
28 29	purchase, le	(1) ase, or re		purpose of the sales promotion effort is to solicit the al property;			
30 31	available du	(2) aring the s		ct number of each prize offered in each category to be made notion;			
32 33	of each prize	(3) e offered		nufacturer's suggested retail price or comparable retail price			
34		(4)	(i)	If calculable in advance, the odds against winning each prize; or			
35 36	the odds of	winning	(ii) will be de	If not calculable in advance, a statement to that effect, or that termined by the number of entries;			

HOUSE BILL 747



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