
By: **Delegate Menes**
Introduced and read first time: February 11, 2004
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Commercial Law - Consumer Protection - Consumer Reports**

3 FOR the purpose of prohibiting a merchant from requesting a consumer report on a
4 consumer from a consumer reporting agency prior to the execution of a contract
5 for the purchase of consumer goods or consumer services between the merchant
6 and the consumer unless certain conditions are met; providing that a violation of
7 this Act is an unfair or deceptive trade practice within the meaning of the
8 Maryland Consumer Protection Act and is subject to certain enforcement and
9 penalty provisions; defining certain terms; and generally relating to consumer
10 reports.

11 BY repealing and reenacting, with amendments,
12 Article - Commercial Law
13 Section 13-301(14)
14 Annotated Code of Maryland
15 (2000 Replacement Volume and 2003 Supplement)

16 BY adding to
17 Article - Commercial Law
18 Section 14-3201 through 14-3203, inclusive, to be under the new subtitle
19 "Subtitle 32. Consumer Reports"
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 13-301.

26 Unfair or deceptive trade practices include any:

27 (14) Violation of a provision of:

- 1 (i) This title;
- 2 (ii) An order of the Attorney General or agreement of a party
3 relating to unit pricing under Title 14, Subtitle 1 of this article;
- 4 (iii) Title 14, Subtitle 2 of this article, the Maryland Consumer Debt
5 Collection Act;
- 6 (iv) Title 14, Subtitle 3 of this article, the Maryland Door-to-Door
7 Sales Act;
- 8 (v) Title 14, Subtitle 9 of this article, Kosher Products;
- 9 (vi) Title 14, Subtitle 10 of this article, Automotive Repair Facilities;
- 10 (vii) Section 14-1302 of this article;
- 11 (viii) Title 14, Subtitle 11 of this article, Maryland Layaway Sales
12 Act;
- 13 (ix) Section 22-415 of the Transportation Article;
- 14 (x) Title 14, Subtitle 20 of this article;
- 15 (xi) Title 14, Subtitle 15 of this article, the Automotive Warranty
16 Enforcement Act;
- 17 (xii) Title 14, Subtitle 21 of this article;
- 18 (xiii) Section 18-107 of the Transportation Article;
- 19 (xiv) Title 14, Subtitle 22 of this article, the Maryland Telephone
20 Solicitations Act;
- 21 (xv) Title 14, Subtitle 23 of this article, the Automotive Crash Parts
22 Act;
- 23 (xvi) Title 10, Subtitle 6 of the Real Property Article;
- 24 (xvii) Title 10, Subtitle 8 of the Real Property Article;
- 25 (xviii) Title 14, Subtitle 25 of this article, the Hearing Aid Sales Act;
- 26 (xix) Title 14, Subtitle 26 of this article, the Maryland Door-to-Door
27 Solicitations Act;
- 28 (xx) Title 14, Subtitle 31 of this article, the Maryland Household
29 Goods Movers Act; or
- 30 (XXI) TITLE 14, SUBTITLE 32 OF THIS ARTICLE; OR

SUBTITLE 32. CONSUMER REPORTS.

14-3201.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "CONSUMER" MEANS AN ACTUAL OR PROSPECTIVE PURCHASER, LESSEE, OR RECIPIENT OF CONSUMER GOODS OR CONSUMER SERVICES.

(C) "CONSUMER GOODS" AND "CONSUMER SERVICES" MEAN, RESPECTIVELY, GOODS AND SERVICES THAT ARE PRIMARILY FOR PERSONAL, HOUSEHOLD, FAMILY, OR AGRICULTURAL PURPOSES.

(D) "CONSUMER REPORT" HAS THE MEANING STATED IN § 14-1201 OF THIS TITLE.

(E) "CONSUMER REPORTING AGENCY" HAS THE MEANING STATED IN § 14-1201 OF THIS TITLE.

(F) "MERCHANT" MEANS A PERSON THAT DIRECTLY OR INDIRECTLY OFFERS OR MAKES AVAILABLE TO CONSUMERS CONSUMER GOODS, CONSUMER SERVICES, CONSUMER REALTY, OR CONSUMER CREDIT.

14-3202.

PRIOR TO THE EXECUTION OF A CONTRACT FOR THE PURCHASE OF CONSUMER GOODS OR CONSUMER SERVICES BETWEEN A MERCHANT AND A CONSUMER, THE MERCHANT MAY NOT REQUEST A CONSUMER REPORT ON THE CONSUMER FROM A CONSUMER REPORTING AGENCY UNLESS:

(1) THE MERCHANT NOTIFIES THE CONSUMER THAT A REQUEST FOR A CONSUMER REPORT MAY HAVE A NEGATIVE EFFECT ON FUTURE CREDIT REPORTS ON THE CONSUMER; AND

(2) THE CONSUMER PROVIDES THE MERCHANT WITH WRITTEN AUTHORIZATION TO REQUEST A CONSUMER REPORT FROM THE CONSUMER REPORTING AGENCY.

14-3203.

A VIOLATION OF THIS SUBTITLE IS AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE MEANING OF TITLE 13 OF THIS ARTICLE AND IS SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS CONTAINED IN TITLE 13 OF THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2004.