

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

House Bill 119
Economic Matters

(Delegate Arnick)

Commercial Law – Misrepresentation of Geographic Location – Prohibition

This bill prohibits a person from misrepresenting the geographic location of a business in a local telephone directory or directory assistance database. Misrepresentation of the geographical location is considered to have occurred if: (1) a directory listing or directory assistance database entry includes a geographic location; and (2) the business is not located within that location. Misrepresentation is not considered to have occurred if: (1) the business name includes a geographic location; (2) the business has more than one office in the State; and (3) the business has at least one office on the geographic location indicated in the business name. A telephone directory publisher or directory assistance database provider is not liable unless: (1) the publisher or provider is the subject of a listing or database entry; and (2) the listing or entry violates the prohibition against misrepresenting a business's geographic location in a local telephone directory or directory assistance database. Violation of the bill is an unfair and deceptive trade practice under the Maryland Consumer Protection Act.

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: Minimal.

Analysis

Current Law: The definition of an unfair or deceptive trade practice under the Maryland Consumer Protection Act includes any false, falsely disparaging, or misleading oral or written statement, visual description, or other representation of any kind which has the capacity, tendency, or effect of deceiving or misleading consumers. A violation of any provision of the Act is also an unfair or deceptive trade practice prohibited by the Act. A violation occurs regardless of whether a consumer in fact has been misled, deceived, or damaged as a result of the practice. Under the Act, a person may not engage in any unfair or deceptive trade practice in: (1) the sale, lease, rental, loan, or bailment of any consumer goods, consumer realty, or consumer service; or (2) the offer for sale, lease, rental, loan, or bailment of any consumer goods, consumer realty, or consumer service.

Background: The Consumer Protection Division within the Office of the Attorney General is responsible for pursuing unfair and deceptive trade practice claims under the Maryland Consumer Protection Act. The division may attempt conciliation, issue cease and desist orders, or seek action in court, including an injunction, to enforce the Act. Violators of the Act are also subject to criminal and civil penalties.

Additional Information

Prior Introductions: A similar bill, SB 887, was introduced during the 2002 session and received an unfavorable report from the Senate Finance Committee.

Cross File: None.

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

Fiscal Note History: First Reader - February 2, 2004
mam/mdr

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