

HOUSE BILL 1297

I3
HB 1008/07 – ECM

8lr2663

By: **Delegates Feldman and Harrison**
Introduced and read first time: February 8, 2008
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection – Internet Auction Sales**

3 FOR the purpose of prohibiting a person in the State from selling or offering to sell, by
4 means of an Internet auction, any food, drug, or cosmetic product that is subject
5 to certain expiration dating requirements, any infant formula or baby food, and
6 certain value loaded cards in excess of a certain amount over a certain period of
7 time; providing that a violation of this Act is an unfair or deceptive trade
8 practice within the meaning of the Maryland Consumer Protection Act and is
9 subject to certain enforcement and penalty provisions; defining certain terms;
10 and generally relating to Internet auctions.

11 BY adding to
12 Article – Commercial Law
13 Section 14–3601 through 14–3603 to be under the new subtitle “Subtitle 36.
14 Internet Auction Sales”
15 Annotated Code of Maryland
16 (2005 Volume and 2007 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article – Commercial Law**

20 **SUBTITLE 36. INTERNET AUCTION SALES.**

21 **14–3601.**

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 **(B) “INTERNET AUCTION” MEANS A PROCUREMENT PROCESS IN WHICH**
2 **A PERSON, THROUGH PUBLICATION OVER THE INTERNET, OFFERS TO SELL OR**
3 **LEASE A SPECIFIED PRODUCT THROUGH REAL-TIME ELECTRONIC COMPETITIVE**
4 **BIDDING CONDUCTED OVER THE INTERNET, WITH THE PRODUCT AWARDED TO**
5 **THE HIGHEST BIDDER AT THE CLOSE OF THE TIME PERIOD ESTABLISHED FOR**
6 **THE AUCTION.**

7 **(C) (1) “VALUE LOADED CARD” MEANS A TANGIBLE DEVICE ON**
8 **WHICH IS EMBEDDED OR ENCODED, IN AN ELECTRONIC OR OTHER FORMAT, A**
9 **VALUE ISSUED IN EXCHANGE FOR PAYMENT THAT PROMISES TO PROVIDE TO**
10 **THE BEARER MERCHANDISE OF EQUAL VALUE TO THE REMAINING BALANCE OF**
11 **THE DEVICE.**

12 **(2) “VALUE LOADED CARD” DOES NOT INCLUDE:**

13 **(I) A PREPAID TELECOMMUNICATIONS OR TECHNOLOGY**
14 **CARD;**

15 **(II) A PREPAID BANK CARD; OR**

16 **(III) A REWARDS CARD.**

17 **14-3602.**

18 **(A) A PERSON IN THE STATE MAY NOT SELL OR OFFER TO SELL BY**
19 **MEANS OF AN INTERNET AUCTION:**

20 **(1) ANY FOOD, DRUG, OR COSMETIC PRODUCT THAT IS SUBJECT**
21 **TO EXPIRATION DATING REQUIREMENTS ISSUED BY THE U.S. FOOD AND DRUG**
22 **ADMINISTRATION;**

23 **(2) ANY INFANT FORMULA OR BABY FOOD; OR**

24 **(3) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A**
25 **VALUE LOADED CARD.**

26 **(B) A PERSON MAY SELL OR OFFER TO SELL, BY MEANS OF AN**
27 **INTERNET AUCTION, AS MANY AS FIVE VALUE LOADED CARDS IN A CALENDAR**
28 **MONTH.**

29 **14-3603.**

30 **A VIOLATION OF THIS SUBTITLE IS:**

1 (1) AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE
2 MEANING OF TITLE 13 OF THIS ARTICLE; AND

3 (2) SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS
4 CONTAINED IN TITLE 13 OF THIS ARTICLE.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2008.