Department of Legislative Services

Maryland General Assembly 2008 Session

FISCAL AND POLICY NOTE

House Bill 716

(Delegate Burns)

Economic Matters

Consumer Protection - Eating Utensils and Related Items - Identification of Place of Manufacture

This bill requires a manufacturer of "eating utensils and related items" sold in the State to place an understandable label prominently on the container or packaging in which the items are sold. The label must identify • the name of the manufacturer; and • the location, by city and state or city and country, of the plant at which the items were manufactured. Violation of the bill's provisions is an unfair or deceptive trade practice under the Maryland Consumer Protection Act, subject to MCPA's civil and criminal penalties.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues and expenditures due to the bill's imposition of existing penalty provisions. If the Attorney General's Office receives fewer than 50 complaints per year stemming from the bill, the additional workload could be handled with existing resources.

Local Effect: Potential minimal increase in revenues and expenditures due to the bill's imposition of existing penalty provisions.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: The bill states that eating utensils and related items includes plates, bowls, knives, forks, spoons, glasses, cups, napkins, and straws.

Current Law: Current State statutory law is silent on specific labeling requirements for eating utensils.

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. Upon receiving a complaint, the division must determine whether there are "reasonable grounds" to believe that a violation of MCPA has occurred. Generally, if the division does find reasonable grounds that a violation has occurred, the division must seek to conciliate the complaint. The division may also issue cease and desist orders, or seek action in court, including an injunction or civil damages, to enforce the Act. Violators of MCPA are subject to • civil penalties of \$1,000 for the first violation and \$5,000 for subsequent violations; and • criminal sanction as a misdemeanor, with a fine of up to \$1,000 and/or up to one year's imprisonment.

Background: The federal government has enacted several pieces of legislation relating to the labeling of eating utensils and related items. The Fair Packaging and Labeling Act, which took effect in 1967, allows the Food and Drug Administration and the Federal Trade Commission to create and enforce regulations that require labels on consumer commodities which identify the item and its manufacturer. The Lead Based Paint Poison Prevention Act of 1973 allows the Secretary of Health and Human Services to prohibit the use of lead-based paints in cooking, drinking, and eating utensils.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division);

Department of Legislative Services

First Reader - March 4, 2008 **Fiscal Note History:**

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