

SENATE BILL 1008

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0lr3458
CF HB 1018

By: **Senator Exum**

Introduced and read first time: February 24, 2010

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Wireless Telephone Service – Trial Periods and Termination of Service**

3 FOR the purpose of requiring wireless telephone service providers to provide
4 customers with a certain trial period during which the customer may terminate
5 service without incurring certain fees, charges, or penalties; requiring wireless
6 telephone service providers to reduce by a certain amount certain fees and
7 penalties related to the termination of service after the lapse of the trial period;
8 providing that a violation of this Act is an unfair or deceptive trade practice
9 under the Maryland Consumer Protection Act and is subject to certain
10 enforcement and penalty provisions; defining certain terms; and generally
11 relating to the protection of customers of wireless telephone service providers.

12 BY repealing and reenacting, with amendments,
13 Article – Commercial Law
14 Section 13–301(14)(xxvi)
15 Annotated Code of Maryland
16 (2005 Replacement Volume and 2009 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – Commercial Law
19 Section 13–301(14)(xxvii)
20 Annotated Code of Maryland
21 (2005 Replacement Volume and 2009 Supplement)

22 BY adding to
23 Article – Commercial Law
24 Section 13–301(14)(xxviii) and 14–1322
25 Annotated Code of Maryland
26 (2005 Replacement Volume and 2009 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Commercial Law**

4 13–301.

5 Unfair or deceptive trade practices include any:

6 (14) Violation of a provision of:

7 (xxvi) Title 6, Subtitle 13 of the Environment Article; [or]

8 (xxvii) Section 7–405(e)(2)(ii) of the Health Occupations Article;

9 or

10 **(XXVIII) SECTION 14–1322 OF THIS ARTICLE; OR**

11 **14–1322.**

12 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
13 **MEANINGS INDICATED.**

14 **(2) “WIRELESS TELEPHONE SERVICE” MEANS CELLULAR,**
15 **BROADBAND PCS, OR OTHER COMMERCIAL MOBILE RADIOTELEPHONE**
16 **SERVICE.**

17 **(3) “WIRELESS TELEPHONE SERVICE PROVIDER” MEANS A**
18 **PERSON WHO PROVIDES WIRELESS TELEPHONE SERVICE.**

19 **(B) THE TERMS ON WHICH WIRELESS TELEPHONE SERVICES ARE**
20 **PROVIDED TO ANY CUSTOMER SHALL INCLUDE A TRIAL PERIOD:**

21 **(1) THAT CONTINUES FOR AT LEAST 30 DAYS AFTER THE DATE**
22 **THE CUSTOMER RECEIVES THE FIRST BILL FOR MONTHLY SERVICE AFTER**
23 **SERVICE ACTIVATION; AND**

24 **(2) DURING WHICH THE CUSTOMER:**

25 **(I) AFTER PAYING FOR THE SERVICES USED, MAY**
26 **TERMINATE THE SERVICE WITHOUT INCURRING ANY TERMINATION FEES,**
27 **CHARGES, OR PENALTY OF ANY KIND; AND**

1 **(II) ON THE RETURN OF ANY HANDSET PURCHASED OR**
2 **LEASED IN CONNECTION WITH THE SERVICE, MAY RECEIVE A PRO RATA REFUND**
3 **OF THE AMOUNT PAID FOR THE HANDSET.**

4 **(C) IF A CUSTOMER TERMINATES WIRELESS TELEPHONE SERVICE**
5 **AFTER THE END OF THE TRIAL PERIOD IN SUBSECTION (B) OF THIS SECTION**
6 **BUT BEFORE THE END OF THE TERM OF THE SERVICE AGREEMENT, THE**
7 **WIRELESS TELEPHONE SERVICE PROVIDER SHALL:**

8 **(1) REDUCE ANY EARLY TERMINATION FEE OR PENALTY BY A**
9 **FRACTION EQUIVALENT TO THE NUMBER OF MONTHS IN THE AGREEMENT TERM**
10 **THAT HAVE ELAPSED DIVIDED BY THE TOTAL NUMBER OF MONTHS IN THE**
11 **AGREEMENT TERM; AND**

12 **(2) ON THE RETURN OF ANY HANDSET PURCHASED OR LEASED IN**
13 **CONNECTION WITH THE SERVICE, PROVIDE A PRO RATA REFUND OF ANY**
14 **AMOUNT PAID FOR THE HANDSET.**

15 **(D) A VIOLATION OF THIS SECTION IS:**

16 **(1) AN UNFAIR OR DECEPTIVE TRADE PRACTICE UNDER TITLE 13**
17 **OF THIS ARTICLE; AND**

18 **(2) SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS**
19 **CONTAINED IN TITLE 13 OF THIS ARTICLE.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2010.