

HOUSE BILL 878

I3

3lr1703

By: **Delegates V. Turner, Cullison, Elliott, Hubbard, Murphy, and Reznik**

Introduced and read first time: February 7, 2013

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: March 5, 2013

CHAPTER _____

1 AN ACT concerning

2 **Consumer Protection – Store Credit Cards for Rebates and Returned**
3 **Merchandise – Required Notice**

4 FOR the purpose of prohibiting a merchant from requiring a consumer to accept a
5 certain store credit card, instead of cash, a check, or a credit to certain accounts,
6 for a rebate or returned merchandise unless the merchant displays at a certain
7 location a notice disclosing in a certain manner a certain policy of the merchant;
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 use of store credit cards by merchants for rebates and returned
12 merchandise.

13 BY adding to

14 Article – Commercial Law

15 Section 14–1319.1

16 Annotated Code of Maryland

17 (2005 Replacement Volume and 2012 Supplement)

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

20 **Article – Commercial Law**

21 **14–1319.1.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
2 MEANINGS INDICATED.

3 (2) “CONSUMER” HAS THE MEANING STATED IN § 13–101 OF THIS
4 ARTICLE.

5 (3) “MERCHANDISE” HAS THE MEANING STATED IN § 13–101 OF
6 THIS ARTICLE.

7 (4) “MERCHANT” HAS THE MEANING STATED IN § 13–101 OF THIS
8 ARTICLE.

9 (5) “STORE CREDIT CARD” MEANS A DEVICE CONSTRUCTED OF
10 PAPER, PLASTIC, OR ANY OTHER MATERIAL THAT:

11 (I) IS ISSUED AS STORE CREDIT FOR A REBATE OR
12 RETURNED MERCHANDISE BY A SINGLE MERCHANT OR AN AFFILIATED GROUP
13 OF MERCHANTS THAT SHARE THE SAME NAME, MARK, OR LOGO; AND

14 (II) MAY BE USED ONLY TO PURCHASE MERCHANDISE AT
15 THE STORE OF THE ISSUING MERCHANT OR AFFILIATED GROUP OF MERCHANTS
16 THAT SHARE THE SAME NAME, MARK, OR LOGO.

17 (B) A MERCHANT MAY NOT REQUIRE A CONSUMER TO ACCEPT A STORE
18 CREDIT CARD, INSTEAD OF CASH, A CHECK, OR A CREDIT TO THE CONSUMER’S
19 CREDIT OR DEBIT CARD ACCOUNT, FOR A REBATE OR RETURNED MERCHANDISE
20 UNLESS THE MERCHANT DISPLAYS AT THE POINT OF SALE OF THE
21 MERCHANDISE A NOTICE THAT CLEARLY AND CONSPICUOUSLY DISCLOSES TO
22 THE CONSUMER THE MERCHANT’S POLICY ON REBATES AND RETURNED
23 MERCHANDISE.

24 (C) A VIOLATION OF THIS SECTION:

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

27 (2) IS SUBJECT TO THE ENFORCEMENT AND PENALTY
28 PROVISIONS CONTAINED IN TITLE 13 OF THIS ARTICLE, EXCEPT § 13–411 OF
29 THIS ARTICLE.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 2013.