

SECTION 1. *Be it enacted by the General Assembly of Maryland, That Sections 239 and 241 of Article 56 of the Annotated Code of Maryland, (1968 Replacement Volume), title "Licenses," subtitle "Trading Stamp Companies," be and the same are hereby repealed and re-enacted, and to read as follows:*

239.

As used in this subtitle:

(a) The term "trading stamp" means any stamp or similar device issued in connection with the retail sale of merchandise or service, as a cash discount or for any other marketing purpose, which entitles the rightful holder, on its due presentation for redemption, to receive merchandise, service or cash. This term, however, shall not mean any redeemable device used by the manufacturer or packer of an article, in advertising or selling it, or any redeemable device issued and redeemed by a newspaper, magazine or other publication.

(b) The term "trading stamp company" means any person engaged in distributing trading stamps for retail issuance by others, or in redeeming trading stamps for retailers, in any way or under any guise.

(c) The term "person" means any individual, partnership, corporation, association or other organization.

*(d) The term "retail distributor of trading stamps" means any person who gives, sells, or otherwise distributes trading stamps for a trading stamp company as defined in subparagraph (b) to the ultimate consumer either at time of sale or at any time when a sales presentation is made before or after delivery of the trading stamps. The term, however, shall not mean any person who distributes trading stamps as a salesman's bonus, safety award, employee incentive plan, donation to a charitable or non-profit organization or other plans not associated with the sale of goods or services.*

*(e) The term "cost factor" means the average cost of the trading stamps to the retail distributor of trading stamps. Such average cost shall be the actual cost of the trading stamps to the retail distributor of trading stamps over the six calendar month period immediately preceding the month in which the trading stamps are distributed to the consumer by the retail distributor of trading stamps.*

241.

(a) No trading stamp company shall distribute trading stamps in this State or shall redeem trading stamps hereafter issued therein unless [(a) each stamp has legibly printed upon its face in cents or any fraction thereof a cash value determined by the company, and (b) the] (1) The rightful holders may, at their option, redeem the stamps in cash when duly presented to the company for redemption in a number having an aggregate cash value of not less than twenty-five cents [.] , and (2) that the cash redemption value of said stamps shall be at least equal to the greater of (i) the highest cash redemption value offered by the company in any other jurisdiction where the company does business, or (ii) the value which the company represents the stamps have when redeemed for mer-