

Article – Commercial Law

Title 14. Miscellaneous Consumer Protection Provisions.

Subtitle 25. Hearing Aid Sales Act.

§14–2501. Definition.

In this subtitle, “hearing aid” means:

- (1) Any instrument or device that is designed for or represented as being capable of improving or correcting impaired human hearing; or
- (2) Any part or accessory of the instrument or device.

§14–2502. Subtitle additional.

The provisions of this subtitle are in addition to any other provision of law.

§14–2502.1 Billing of diagnostic tests for hearing aids.

- (a) The seller of a hearing aid must bill any fee for diagnostic tests separately from any charges for the purchase and fitting of a hearing aid.
- (b) A separately billed fee for a diagnostic test is not subject to refund under § 14-2503 of this subtitle.

§14–2503. Cancellation of purchase.

- (a) Within 30 days of the date of delivery, a purchaser of a hearing aid may cancel the purchase for any reason, by mailing or delivering a notice of cancellation to the seller of the hearing aid at the address specified in the contract.
- (b)
 - (1) Cancellation of the purchase entitles the purchaser to a refund of the entire consideration paid, less 10 percent for services and payments made for diagnostic tests.
 - (2) If the actual documented expenses incurred by the seller for the fitting, delivery, and return of the hearing aid to the manufacturer are in excess of 10 percent of the purchase price, the seller may retain an amount equal to these expenses only if:
 - (i) The amount is conspicuously identified as “nonrefundable” on the contract or bill of sale for the hearing aid; and
 - (ii) The total amount retained does not exceed 20 percent of the purchase price of the hearing aid.

- (3) The seller shall deliver the refund to the purchaser if:
- (i) The purchase is made at a place other than the place of business of the seller, within 30 days after the receipt of the notice of cancellation; and
 - (ii) The purchase agreement is made at the place of business of the seller, within 30 days after the return of the hearing aid.
- (4) If a hearing aid is sold in a hospital or related institution, the seller must initiate a refund request with the accounting department of the selling hospital or related institution within 10 days after receiving the notice of cancellation from the purchaser.
- (c) After cancellation of the purchase, if the hearing aid has been delivered to the purchaser, the purchaser must make the hearing aid available to the seller in substantially as good condition as when received.
- (d) The right of cancellation may not be waived or otherwise surrendered.
- (e) (1) The contract or bill of sale for the purchase of a hearing aid shall contain the following statement:
“You may cancel this purchase for any reason, at any time within 30 days after the date of delivery of the hearing aid. To cover the costs of dispensing the hearing aid, the seller may withhold from the refund 10 percent of the purchase price or the seller’s actual costs up to 20 percent of the purchase price.”
- (2) The statement required under this subsection shall:
- (i) Be in bold and conspicuous type of at least 10-point type; and
 - (ii) Appear on the same page as and above the space for the purchaser’s signature.
- (f) (1) The seller shall provide to the purchaser at the time of delivery of the hearing aid a notice of cancellation that states the total refundable amount and contains the following information:
“Notice of Cancellation
You may cancel this purchase of a hearing aid within 30 days from the date of delivery of the hearing aid.
If you decide to cancel this contract:
1. You must provide notice of the cancellation in writing, within 30 days of the date of delivery of the hearing aid, to (the seller) at address of seller; and
2. You must make the hearing aid available to the seller, in substantially as good condition as when you received it.
The seller may not attempt to obtain a waiver of your rights to cancel.”
- (2) If the hearing aid is sold at the seller’s place of business and the seller is not located within a hospital or other related institution, the notice shall contain the following statement:

“Cancellation entitles you to a refund of all money you paid, less (choose either 10 percent or the actual cost to the seller as provided in this section), within 30 days after you return the hearing aid to the seller.”

(3) If the hearing aid is sold by a seller affiliated with a hospital or other related institution, the notice shall contain the following statement:

“Cancellation entitles you to a refund of all money you paid, less (choose either 10 percent or the actual cost to the seller as provided in this section). The seller must initiate a request for the refund from the selling institution’s accounting department within 10 days after you return the hearing aid to the seller.”

(4) If the hearing aid is sold at a place other than the seller’s place of business the notice shall contain the following statement:

“Cancellation entitles you to a refund of all money you paid less (choose either 10 percent or the actual cost to the seller as provided in this section) within 30 days after the seller receives your notice of cancellation.”

(5) The notice of cancellation shall be in 10 point type.

(g) At the time of delivery, the seller shall complete the notice of cancellation by including the date of delivery and the date by which cancellation must be made.

§14–2504. Deceptive trade practices.

It is a deceptive trade practice for a seller of hearing aids to:

(1) Misrepresent in any way the purchaser’s right to cancel;

(2) Fail to inform a purchaser in writing at the time of the purchase, and at the time of delivery of the right to cancel the contract at any time up to 30 days after the hearing aid has been delivered;

(3) Before furnishing the “Notice of Cancellation” to the purchaser, fail to complete the notice by entering:

(i) The name of the seller;

(ii) The address of the seller’s place of business;

(iii) The date of delivery; and

(iv) The date, not earlier than 30 days after the date of delivery, by which the purchaser may give notice of cancellation;

(4) Include in any sales contract or receipt any confession of judgment or waiver of any right to which the purchaser is entitled under this subtitle, including specifically the right to cancel the sale in accordance with the provisions of this subtitle;

(5) Fail to honor a valid notice of cancellation;

(6) Within 30 days of receiving a purchaser's notice of cancellation, fail to notify the purchaser whether the seller intends to repossess or to abandon the delivered hearing aid;
or

(7) Fail to refund all payments, less 10 percent or the amount allowed under § 14-2503(b)(2) of this subtitle and payments made for diagnostic tests, made under the purchase agreement within 30 days after:

(i) Receipt of the notice of cancellation if the purchaser's agreement to purchase is made at a place other than the place of business of the seller; or

(ii) Return of the hearing aid, if the purchaser's agreement to purchase is made at the place of business of the seller.

§14-2505. Violation of subtitle; failure to pay refunds.

(a) If a seller violates any provision of this subtitle, the buyer may cancel the sale by notifying the seller, in any manner and by any means, of the buyer's intention to cancel.

(b) If a seller fails to refund all payments in the time required, after the purchase complies with the requirements of the notice of cancellation a purchaser is entitled to payment of an additional 1 percent for each month or part of a month that the refund is not paid.

§14-2506. Penalties.

Violation of this subtitle is:

(1) An unfair or deceptive trade practice; and

(2) Subject to the provisions of Title 13 of this article.