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H.55

Introduced by Representatives Rachelson of Burlington, Burditt of West
Rutland, Burke of Brattleboro, Dakin of Chester, Evans of
Essex, Gonzalez of Winooski, Krowinski of Burlington,
Pearson of Burlington, Ram of Burlington, and Sullivan of
Burlington

Referred to Committee on

Date:

Subject: Commerce and trade; consumer protection; contracts

Statement of purpose of bill as introduced: This bill proposes to require a
consumer to opt in to an automatic renewal provision in a contract.

An act relating to automatic renewal provisions in consumer contracts

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 9 V.S.A. § 2454a is added to read:

§ 2454a. CONSUMER CONTRACTS; AUTOMATIC RENEWAL

(a) A contract between a consumer and a seller or a lessor shall not
automatically renew upon termination unless:

(1) the contract states the terms of the automatic renewal provision in
plain, unambiguous language;

1 (2) the consumer takes an additional, affirmative action to opt in to the
2 automatic renewal provision; and

3 (3) if the consumer accepts the automatic renewal provision, the seller
4 or lessor provides a written or electronic notice to the consumer at least
5 30 days but not more than 60 days before the termination date that includes:

6 (A) the date the contract will terminate and a clear statement that
7 unless the consumer cancels the contract as of the termination date it will
8 renew automatically;

9 (B) the length and any additional terms of the renewal period;

10 (C) one or more methods by which the consumer can cancel the
11 contract; and

12 (D) contact information for the seller or lessor.

13 (b) A person who violates a provision of subsection (a) of this section
14 commits an unfair and deceptive act in commerce in violation of section 2453
15 of this title.

16 Sec. 2. EFFECTIVE DATE

17 This act shall take effect on July 1, 2015.