

Sec. 1. 9 V.S.A. § 2454a is added to read:
§ 2454a. CONSUMER CONTRACTS; AUTOMATIC RENEWAL

~~(a)~~ ~~(a)~~ A contract between a consumer and a seller or a lessor with an initial term of longer than one year ~~or longer~~ that renews for a subsequent term that is longer than one month shall not renew automatically unless the seller or lessor:

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(1) Presents the automatic renewal offer terms or continuous service offer terms in a clear and conspicuous manner before the subscription or purchasing agreement is fulfilled and in visual proximity, or in the case of an offer conveyed by voice, in temporal proximity, to the request for consent to the offer.

(2) Obtains the consumer's affirmative consent to the agreement containing the automatic renewal offer terms or continuous service offer terms before charging the consumer's credit or debit card, or the consumer's account with a third party, for an automatic renewal or continuous service; and

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(3) Provides an acknowledgment that includes the automatic renewal or continuous service offer terms, cancellation policy, and information regarding how to cancel in a manner that is capable of being retained by the consumer. If the offer includes a free trial, the business shall also disclose in the acknowledgment how to cancel, and allow the consumer to cancel, before the consumer pays for the goods or services;

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~~(a)~~ (1) the contract states clearly and conspicuously the terms of the automatic renewal provision in plain, unambiguous language in bold face type;

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~~(b)~~ (2) in addition to accepting the contract, the consumer takes an affirmative action to opt in to the automatic renewal provision; and

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~~(c)~~ (3) if the consumer opts in to the automatic renewal provision, the seller or lessor provides a written or electronic notice to the consumer:

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~~(d)~~ (A) not less than 30 days and not more than 60 days before the earliest of:

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~~(e)~~ (i) the automatic renewal date;

~~(f)~~ (ii) the termination date; or

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~~(g)~~ (iii) the date by which the consumer must provide notice to cancel

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~~(h)~~ (iv) the contract; and

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~~(i)~~ (B) that includes:

~~(j)~~ (i) the date the contract will terminate and a clear statement that the contract will renew automatically unless the consumer cancels the contract on or before the termination date;

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~~(k)~~ (ii) the length and any additional terms of the renewal period;

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~~(l)~~ (iii) one or more methods by which the consumer can cancel the contract;

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~~(m)~~ and

~~(n)~~ (iv) contact information for the seller or lessor.

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(b) A person who violates a provision of subsection (a) of this section

commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(c) The provisions of this section do not apply to:

(1) a contract between a consumer and a financial institution, as defined in 8 V.S.A. § 11101; ~~or~~

(2) a contract for insurance, as defined in 8 V.S.A. § 3301a; ~~or~~

(3) a contract with any business or service that allows the automatic renewal to be turned off through a simple mechanism routinely available from the Internet or a mobile device or application.

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~~Sec. 2. AUTOMATIC RENEWAL OF CONTRACTS; APPLICABILITY TO~~

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~~EXISTING CONTRACTS~~

~~(a) A contract between a consumer and a seller or lessor in effect on~~

~~January 1, 2019 with an initial term of one year or longer that renews for a subsequent term that is longer than one month shall not renew automatically unless the seller or lessor sends written or electronic notice to the consumer with the information required in 9 V.S.A. § 2454a(a)(3)(B):~~

~~(1) not less than 30 days and not more than 60 days before the earliest of:~~

~~(A) the automatic renewal date;~~

~~(B) the termination date; or~~

~~(C) the date by which the consumer must provide notice to cancel the contract; or~~

~~(2) if the contract will automatically renew on or before January 31, 2019, then as soon as is commercially reasonable after this section takes effect.~~

~~(b) The Attorney General shall have the same authority to enforce this section as set forth in 9 V.S.A. § 2454a.~~

~~(c) The provisions of this section do not apply to:~~

~~(1) a contract between a consumer and a financial institution, as defined in 8 V.S.A. § 11101; or~~

~~(2) a contract for insurance, as defined in 8 V.S.A. § 3301a~~

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