

From: **Tyler Barnes** <tyler@crossfitt.com>

Date: Fri, Mar 23, 2018 at 2:13 PM

Subject: Bill H.593

To: pbaruth@leg.state.vt.us, msirotkin@leg.state.vt.us, sirotkin.senate@gmail.com

Cc: kdewey@leg.state.vt.us

Senators Sirotkin and Baruth ,

Apologies for the impersonal introduction. My name is Tyler Barnes - I own and operate *Threshold Training* (Maddox Noah Holdings, LLC, DBA Threshold Training, CrossFit TT), a boutique performance training studio located on Williston Road, in South Burlington. Because a majority of our business is derived from membership contracts, I've been following developments with bill H.593 and was following S.136 last year when it included language addressing automatic renewal of consumer contracts. Some of the language in the bill section #1 of H.593 (automatic renewal of consumer contracts) is of concern to me. Currently, section (a)(2) states that: "*in addition to accepting the contract, the consumer takes an affirmative action to opt in to the automatic provision*". I am concerned that such provisions will be harmful, unnecessary, redundant, and potentially quite costly, for not only our business, but all boutique training studios in Chittenden County the following reasons:

- 1.) Inclusive of our business (Threshold Training) there are 14 boutique Performance Training Studios in Chittenden County. *All of us use the same web-portal software solution for our scheduling and membership transactions; this software is not currently double-opt in compliant.* Switching costs for this software are quite high, and require in excess of 400 man-hours to complete. This is a difficult - if not impossible - ask for Owner-operators in our industry, many of whom maintain 2nd jobs to make ends meet. It could have a crippling effect on not only our business, but our industry within Chittenden County.
- 2.) Costs associated with our software becoming double opt-in compliant would be borne by subscribers. Speaking only for myself: if I'm going to be asked to pay an increased cost for my service, I would much rather have that cost applied to enhancements in functionality that would improve my ability to serve my clients, rather than a double opt-in feature that will almost certainly be ignored by those signing it;

I am supportive of the notification requirements in the bill. Not only does our software currently afford this functionality, but also we have found such functionality tremendously beneficial to both our business and our clients. We currently send notifications to clients with expiring annual contracts at three intervals - 30 days, 14 days, and 5 days. These notifications both remind clients that their membership is up for renewal, remind them of their contractual obligations, and invite them to speak with us about their options. Following this practice, we've never had a client question or challenge our auto-renewal policy. In fact, we've received compliments from our clients on the transparency and pro-activity of these reminders. We would welcome language that reflects this practice as an alternative to the double opt-in proposal.

I do not currently offer contracts with an initial term of longer than one year, so my concerns would be alleviated if the language were changed to "(a) A contract between a consumer and a seller or a lessor with an initial term of **longer than** one year that renews for a subsequent term that is longer than one month shall not renew automatically unless:"

Thank you for taking the time to consider my concerns, and for your efforts in governing our great State. Have a great weekend.

-Tyler