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H.327

Representative Kornheiser of Brattleboro moves to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

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

§ 2454a. CONSUMER CONTRACTS; AUTOMATIC RENEWAL

(a) A contract between a consumer and a seller or a lessor 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:

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

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

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

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

(i) the automatic renewal date;

(ii) the termination date; or

1 (iii) the date by which the consumer must provide notice to cancel  
2 the contract; and

3 (B) that includes:

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

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

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

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

11 (b) A seller or lessor under a contract subject to subsection (a) of this  
12 section shall:

13 (1) provide to the consumer a toll-free telephone number, electronic mail  
14 address, a postal address if the seller or lessor directly bills the consumer, or  
15 another cost-effective, timely, and easy-to-use mechanism for canceling the  
16 contract; and

17 (2) permit a consumer who accepts an automatic renewal or continuous  
18 service offer online to terminate the automatic renewal or continuous service  
19 exclusively online, which may include a termination email formatted and  
20 provided by the business that a consumer can send to the business without  
21 additional information.

1        (c) A person who violates a provision of subsection (a) of this section  
2        commits an unfair and deceptive act in commerce in violation of section 2453  
3        of this title.

4        ~~(e)~~(d) The provisions of this section do not apply to:

5            (1) a contract between a consumer and a financial institution, as defined  
6        in 8 V.S.A. § 11101, or between a consumer and a credit union, as defined in  
7        8 V.S.A. § 30101; or

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

9        Sec. 2. EFFECTIVE DATE

10        This act shall take effect on July 1, 2019 and supersedes contrary provisions  
11        of 2018 Acts and Resolves No. 179, Sec. 1.