

H.668

Introduced by Representative Burt of Cabot

Referred to Committee on

Date:

Subject: Commerce and trade; consumer protection; automatic renewal  
contracts

Statement of purpose of bill as introduced: This bill proposes to require that a seller or lessor of an automatic renewal contract made available online allow a consumer to terminate the contract in the same or similar manner or in a manner that is more easily available to the consumer. The bill also proposes to expand application of the automatic renewal notification requirement to contracts with an initial term of one month or longer.

An act relating to automatic renewal contracts

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

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~~ month or longer that renews for a subsequent term that is longer than one month shall not renew automatically unless:

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

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

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

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

9 (i) the automatic renewal date;

10 (ii) the termination date; or

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

13 (B) that includes:

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

17 (ii) the length and any additional terms of the renewal period.

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

20 (1) provide to the consumer a toll-free telephone number, ~~e-mail~~ email  
21 address, a postal address if the seller or lessor directly bills the consumer, or

1 another cost-effective, timely, and easy-to-use mechanism for canceling the  
2 contract; and

3 (2) if the consumer accepted the contract online, permit the consumer to  
4 terminate the contract exclusively online in the same manner as, similar  
5 manner to, or a manner that is more easily available to the consumer than  
6 acceptance of the contract, which may include a termination ~~e-mail~~ email  
7 formatted and provided by the seller or lessor that the consumer can send  
8 without additional information.

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10 Sec. 2. EFFECTIVE DATE

11 This act shall take effect on July 1, 2026.