

1 H.286

2 Introduced by Representatives Rachelson of Burlington, Cina of Burlington,
3 Donovan of Burlington, Hooper of Brookfield, and Ode of
4 Burlington

5 Referred to Committee on

6 Date:

7 Subject: Commerce and trade; consumer protection; contracts

8 Statement of purpose of bill as introduced: This bill proposes to require that
9 no automatic renewal provision in a contract take effect unless the consumer
10 opts in.

11 An act relating to automatic renewal provisions in consumer contracts

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

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

14 § 2454a. CONSUMER CONTRACTS; AUTOMATIC RENEWAL

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

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

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

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

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

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

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

10 (D) contact information for the seller or lessor,

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

14 Sec. 2. EFFECTIVE DATE

15 This act shall take effect on July 1, 2017.