



Members of the N/MA Subscription Marketing Working Group:

We wanted to provide an update on the Alliance's efforts regarding state automatic renewal legislation. The Alliance and our coalition were extremely active in June as state legislative sessions in numerous states were ending and pending automatic renewal bills were moving quickly in more than a dozen states.

This year has seen much activity on autorenewal bills, with quite a few bills passing. New legislation has passed in nine states, with a few states still in session. We are pleased to report that we were able to secure amendments in most of the new state laws to ensure consistency with the existing state framework. While some of our amendments were accepted in Connecticut, problematic provisions remain in that new law, and we will seek further changes. Here is a list of new state laws and effective dates.

Connecticut: [HB 5314](#) was signed by the Governor on June 29. **The effective date is October 1, 2023.** The bill was successfully amended to remove the requirement to provide all forms of cancellation, but it doesn't allow "any other easy-to-use, cost effective or timely method" of cancellation as contained in many other state laws. There is no Private Right of Action and Attorney General only enforcement. **However, they did not remove the requirement to send cancellation instructions before the consumer agrees to the contract and in a retainable form, (there is no requirement for an acknowledgement, which we were seeking instead).** The timing of free-trial, gift, discount, or promotional rate notices does not make sense and is an outlier from other states, and there is no exemption for month-to-month contracts. The author has indicated openness to a "clean up" bill in the fall.

Delaware: [SB 125](#) passed both Chambers but has not yet gone to the Governor. It will have immediate effect when signed. The bill makes minor edits to existing law which do not seem to change substance. Note that all bills in Delaware include private right of action provisions in underlying law. There is a right to cure provision.

Georgia: [HB 528](#) was sent to the Governor on April 6 and became law. **It has an effective date of January 1, 2024.** The law requires notices for any contract over one month. The author added coalition language allowing the reminder notices to be sent prior to or up to 3 days after the renewal charge. The consumer can now opt-out of reminders as well. There is Attorney General only enforcement and no Private Right of Action is allowed.

Idaho: [HB 116](#) was signed by the Governor on March 21 **with an effective date of July 1.** The new law fixes issues with the law that went into effect on January 1, 2023. It precludes a seller from charging a consumer to cancel an automatic renewal and requires renewal notices for subscriptions that renew for a year or longer. The revised law includes our requested changes including no Private Right of Action.

Illinois: [SB 328](#) was signed by the Governor on June 9 **with an effective date of January 1, 2024**. We successfully amended the bill with provisions matching workable existing state laws. The bill applies generally to all autorenewal contracts, including month-to-month, but renewal notices are only required for annual subscriptions that renew for more than 6 months. The reminder notice window is between 15-45 days.

Kentucky: [SB 30](#) was signed into law on March 23 **with an effective date of January 1, 2024**. N/MA signed onto a joint letter supporting the bill, which incorporated elements of model legislation compiled by the coalition. The law closely follows other state laws including no Private Right of Action in the enforcement provisions, clarity that only paid subscriptions are covered, and additional exemptions of various industries. The law does require refunds if a business fails to follow the bill's requirements.

New York: [SB 5941B](#) passed both Houses but has not yet been sent to the Governor. **This bill will have immediate effect once signed**. The bill requires renewal notices for contracts one year or longer that renew for 6 months or longer. The notice must be sent between 15-45 days prior to renewal. N/MA was successful in limiting the renewal notices to longer-term subscriptions and widening the renewal notice window.

North Dakota: [HB 1228](#) was signed by the Governor on April 7 **with an effective date of July 31**. It expands the existing autorenewal law to services (it previously just applied to goods). The existing law has a prohibition on automatic renewal contracts with renewal periods over one year in length and requires renewal notices for renewal periods over 6 months. We tried to change these two provisions, but the sponsor did not agree. A minor amendment was adopted to clarify it is the auto renewal provision that is being cancelled.

Virginia: [HB 1517](#) and [SB 1540](#) were passed and signed by the Governor March 27 and **went into effect July 1**. HB 1517 requires notice to a consumer "within 30 days" of the end of a free trial that informs the consumer that they may cancel without charge. We were successful in getting the bill amended to clarify that trials that do not exceed 30 days are not covered. HB 1517 also requires sellers to disclose total cost, including fees or charges, prior to entering into the agreement. SB 1540 clarifies that monthly contracts are not autorenewals.

The Alliance continues to be active in several states with longer legislative sessions and pending bills:

Massachusetts: The House held a hearing on [HB 326](#) on June 26. N/MA and the coalition have numerous concerns on the bill and sent a letter of opposition. The bill would require end of trial notices for autorenewal contracts containing any promotional introductory rates, would require specific forms of communication and in timeframes not required in any other state, and would subject companies offering trials to a Private Right of Action.

Michigan: [HB 4843](#) was introduced on June 22. It has troubling provisions, including point type minimum, details on cancellation in initial offer, renewal notices for all contracts over 2 months, no exemption for month-to-month contracts, and provides for a Private Right of Action. The coalition will send a letter if a hearing is scheduled.

New Jersey: The Assembly held a hearing on [A 526](#) on March 20 with no further action taken. The coalition sent a letter with redlines to align with our model bill. The main concern other than model provisions is the enforcement language and exempting month-to-month contracts. The bill is not expected to move in the short term. The author and staff requested time to review the redlines we provided.

Pennsylvania: [HB 116](#) was re-referred to the House Consumer Protection Committee on May 3. The bill includes a Private Right of Action and requires ten-point font or same size. N/MA has reached out to the bill sponsor and Committee Chairman to note that we have concerns with the bill as currently drafted. In addition, the coalition provided model language to the sponsor, who has agreed to review the language.

Finally, the coalition was successful in keeping numerous bills from moving this year:

Connecticut: [HB 5230](#), which did not allow requiring a consumer to go in-person or to use a phone number to cancel if the consumer signed up online. [SB 13](#), which required a free or promotional trial period longer than 31 days to provide a notice of how to cancel not later than 3 days before the end of the trial. It also required contracts that are at least a year to provide notice of the initial terms not later than 15 days before renewal of the contract.

Hawaii: [SB 380](#), which was duplicative to existing law except that it names new entities (digital application developers/platforms) and would cover contracts under 30 days. It also required opt-in consent for price changes (which could be obtained at the outset). [SB 382](#), which prohibited motor vehicle manufacturers from charging subscription fees for services that use equipment already installed in the vehicle at the time of sale except for entertainment streaming subscription services and vehicle navigation.

Illinois: [HB 3478](#), which was an introduction of the CA act.

Maryland: [HB 1205](#), which would have applied to all autorenewal contracts requiring reminders including cancellation at least 2 days before a renewal charge.

Missouri: [HB 1029](#) had the same language as the OR, NY, TN, VA law in requirements including Attorney General only enforcement.

Nebraska: [LB 132](#), which was largely the same as CA with fewer exemptions (does not exempt state PUC regulated services or alarm companies) and slightly different enforcement, which included a Private Right of Action.

New York: [AB 5671](#) regarding electronic and life safety alarm services; [SB 3343](#) regarding electronic and life safety alarm services, which was more in line with the general automatic renewal law, with fewer requirements; [SB 682](#), which required cancellation in “the same method” used to enter the contract.

Rhode Island: The Senate passed [SB 171](#) on June 1 and a hearing was held in the House on June 6 where it was recommended to be held for further study. The bill is modeled after the CA law with ease of cancellation requirements. We recommended changes to the draft legislation. [HB 6484](#) – CA bill; coalition sent amendments to Leadership and staff; [SB 478](#) and [HB 5276](#) regarding health clubs.

Texas: [HB 2165](#), the coalition asked to remove cancellation in “the same method” used to register for the service and remove cancellation by mail requirement; The House Business and Industry Committee held a hearing on April 24. Our coalition worked to add flexibility to the cancellation requirements. [HB 3102](#),

which did not apply to existing revolving charge accounts or sales made “entirely by mail, Internet, or telephone and without any other contact between the buyer and the seller or the seller’s representative before delivery of the goods or performance of the services”.

Utah: [HB 382](#), the coalition got some positive changes but the bill still needs more work including a trigger for reminders, no rulemaking, trial offers, and good faith safe harbor.

Washington: [HB 1441](#) exempted contracts for personal, family or household purposes – but covered business equipment and business services.

West Virginia: [SB 134](#), the bill was reintroduced from last year. The primary concern was the Private Right of Action.

N/MA will continue to monitor these bills and developments. We will keep you apprised. Please reach out if you have any questions. Thank you.