



General Assembly

January Session, 2023

Committee Bill No. 5314

LCO No. 5292



Referred to Committee on GENERAL LAW

Introduced by:
(GL)

AN ACT CONCERNING CONSUMER AGREEMENTS AND CONSUMER BILLS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2023*) (a) For the purposes of this
2 section:

3 (1) "Automatic renewal provision" means any provision that is
4 included in a consumer agreement under which a business that is a
5 party to such agreement may renew such agreement without any action
6 on the part of a consumer who is a party to such agreement;

7 (2) "Business" means any individual or sole proprietorship,
8 partnership, firm, corporation, trust, limited liability company, limited
9 liability partnership, joint stock company, joint venture, association or
10 other legal entity through which commerce for profit or not for profit is
11 conducted;

12 (3) "Consumer" means any individual who is a resident of this state
13 and a prospective recipient of consumer goods or consumer services;

14 (4) "Consumer agreement" means any verbal, telephonic, written or

15 electronic agreement between a business and a consumer (A) under
16 which a business agrees to provide consumer goods or consumer
17 services to a consumer, and (B) that is initially entered into or amended
18 on or after October 1, 2023;

19 (5) "Consumer good" means any article that is purchased, leased,
20 exchanged or received primarily for personal, family or household
21 purposes;

22 (6) "Consumer service" means any service that is purchased, leased,
23 exchanged or received primarily for personal, family or household
24 purposes; and

25 (7) "Continuous services provision" means any provision that is
26 included in a consumer agreement under which a business that is a
27 party to such agreement may continue to provide consumer services to
28 a consumer who is a party to such agreement until the consumer takes
29 action to prevent or terminate such business's provision of such
30 consumer services under such agreement.

31 (b) (1) No business shall enter into, or offer to enter into, a consumer
32 agreement with a consumer if such agreement includes an automatic
33 renewal provision or a continuous services provision, unless:

34 (A) Such business establishes and maintains a toll-free telephone
35 number, an electronic mail address or postal address, and the online
36 means required under subsection (d) of this section, which the consumer
37 may use to prevent automatic renewal or prevent or terminate
38 continuous consumer services;

39 (B) Where such consumer agreement contains an automatic renewal
40 provision, such business discloses to the consumer, electronically,
41 verbally, telephonically or in writing in the manner specified in
42 subdivision (2) of this subsection and before such consumer enters into
43 such agreement, (i) that the business will automatically renew such
44 agreement until such consumer takes action to prevent such automatic

45 renewal, (ii) a description of the actions such consumer is required to
46 take to prevent any automatic renewal of such agreement and, if
47 disclosed electronically, a link or other electronic means such consumer
48 may use to take such actions as described in subsection (d) of this
49 section, (iii) all recurring charges that will be charged to the consumer's
50 credit card, debit card or third-party payment account for any automatic
51 renewal of such agreement and, if the amount of such charges is subject
52 to change, the amount of such change if known by such business, (iv)
53 the length of any automatic renewal term for such agreement unless the
54 consumer selects the length of such term, (v) any additional provisions
55 concerning such renewal term, (vi) any minimum purchase obligation,
56 and (vii) contact information for such business;

57 (C) Where such consumer agreement contains a continuous services
58 provision, such business discloses to the consumer, electronically,
59 verbally, telephonically or in writing in the manner specified in
60 subdivision (2) of this subsection and before such consumer enters into
61 such agreement, (i) that the business will provide continuous consumer
62 services under such agreement until such consumer takes action to
63 prevent or terminate such continuous consumer services, (ii) a
64 description of the actions such consumer is required to take to prevent
65 or terminate such continuous consumer services, (iii) all recurring
66 charges that will be charged to the consumer's credit card, debit card or
67 third-party payment account for such continuous consumer services
68 and, if the amount of such charges is subject to change, the amount of
69 such change if known by such business, (iv) the duration of such
70 continuous consumer services, (v) any additional provisions concerning
71 such continuous consumer services, (vi) any minimum purchase
72 obligation, and (vii) contact information for such business;

73 (D) If such business intends to make any material change in the terms
74 of such automatic renewal provision or continuous services provision,
75 such business discloses to the consumer, electronically, verbally,
76 telephonically or in writing in the manner specified in subdivision (2) of
77 this subsection and before such business makes such material change,

78 the material change and a description of the actions such consumer is
79 required to take to cancel such automatic renewal or terminate such
80 continuous consumer services;

81 (E) If such consumer agreement includes a free gift or trial period,
82 such business discloses to the consumer, electronically, verbally,
83 telephonically or in writing in the manner specified in subdivision (2) of
84 this subsection before such consumer enters into such agreement, (i) the
85 price that such consumer will be charged following expiration of such
86 period, and (ii) any manner in which the pricing for such agreement will
87 change following expiration of such period; and

88 (F) (i) Except as provided in subparagraph (F)(iii) of this subdivision,
89 if such consumer agreement is offered electronically or telephonically
90 and includes a free gift or trial period, or a discounted or promotional
91 price period, such business discloses to the consumer, electronically or
92 telephonically in the manner specified in subdivision (2) of this
93 subsection and not later than the time specified in subparagraph (F)(ii)
94 of this subdivision, (I) that such business will automatically renew, or
95 provide continuous consumer services under, such agreement until
96 such consumer takes action to prevent such automatic renewal or
97 prevent or terminate such continuous consumer services, (II) the
98 duration of such automatic renewal term or continuous consumer
99 services, (III) any additional provisions concerning such renewal term
100 or continuous consumer services, (IV) a description of the actions such
101 consumer is required to take to prevent such automatic renewal or
102 prevent or terminate such continuous consumer services, and (V) if such
103 agreement is offered electronically, a prominently-displayed direct link
104 or button, or an electronic mail message, required under subsection (d)
105 of this section.

106 (ii) Except as provided in subparagraph (F)(iii) of this subdivision, if
107 such business is required to make a disclosure pursuant to
108 subparagraph (F)(i) of this subdivision, such business shall make such
109 disclosure (I) if the free gift or trial period, or discounted or promotional

110 price period, is at least thirty-two days in duration, at least twenty-one
111 days after such period commences and not earlier than three days before
112 such period expires, or (II) if the free gift or trial period, or discounted
113 or promotional price period, is at least one year in duration, at least
114 fifteen days but not more than forty-five days before such period
115 expires.

116 (iii) Such business shall not be required to make the disclosure
117 required under subparagraphs (F)(i) and (F)(ii) of this subdivision if
118 such business has not collected, or does not maintain, the consumer's
119 electronic mail address or telephone number, as applicable, and is
120 unable to make such disclosure to such consumer by other electronic
121 means. For the purposes of subparagraphs (E) and (F) of this
122 subdivision, "free gift" does not include a free promotional item or gift
123 that a business gives to a consumer if such item or gift differs from the
124 consumer goods or consumer services that are the subject of the
125 consumer agreement between the business and the consumer.

126 (2) Each business that is required to make any disclosure under
127 subdivision (1) of this subsection shall:

128 (A) If the consumer agreement is offered, or entered into,
129 electronically or in writing, make such disclosure (i) in a manner that
130 may be retained by the consumer, and (ii) in text that is (I) larger than
131 the size of any surrounding text, or (II) the same size as the surrounding
132 text but in a typeface, font or color that contrasts with such surrounding
133 text or set off from such surrounding text by symbols or other marks
134 that draw the consumer's attention to such disclosure; or

135 (B) If the consumer agreement is offered, or entered into, verbally or
136 telephonically, make such disclosure in a volume and cadence that is
137 readily audible to, and understandable by, the consumer.

138 (c) No business that enters into, or offers to enter into, a consumer
139 agreement that includes an automatic renewal provision or a
140 continuous services provision shall charge the consumer's credit card,

141 debit card or third-party payment account for any automatic renewal or
142 continuous consumer services, regardless of whether such renewal or
143 continuous consumer services are offered or provided at a promotional
144 or discounted price, unless such business has obtained such consumer's
145 affirmative consent to such renewal or continuous consumer services.

146 (d) (1) Each business that enters into a consumer agreement online
147 shall, if such agreement includes an automatic renewal provision or
148 continuous services provision, allow the consumer to take any action
149 necessary to prevent such automatic renewal or prevent or terminate
150 such continuous consumer services online, at will and without requiring
151 such consumer to take any offline action to prevent such automatic
152 renewal or prevent or terminate such continuous consumer services. No
153 business that is subject to the provisions of this subdivision shall take
154 any action to obstruct or delay a consumer's efforts to prevent automatic
155 renewal of, or prevent or terminate provision of continuous consumer
156 services under, a consumer agreement pursuant to this subdivision.
157 Each business that is subject to the provisions of this subdivision shall
158 enable a consumer to prevent automatic renewal of, or prevent or
159 terminate provision of continuous consumer services under, a consumer
160 agreement pursuant to this subdivision by way of:

161 (A) A prominently-displayed direct link or button, which may be
162 located within the consumer's (i) account or profile, or (ii) device or user
163 settings; or

164 (B) An electronic mail message from the business to the consumer,
165 which is immediately accessible by the consumer and to which the
166 consumer may reply without obtaining any additional information.

167 (2) Notwithstanding subdivision (1) of this subsection, a business
168 may require a consumer who maintains an account with the business to
169 enter the consumer's account information, or otherwise authenticate
170 such consumer's identity, online before such consumer may take any
171 action to prevent automatic renewal of, or prevent or terminate
172 provision of continuous consumer services under, a consumer

173 agreement pursuant to subdivision (1) of this subsection. No consumer
174 who is unwilling or unable to enter the consumer's account information,
175 or otherwise authenticate such consumer's identity, online under this
176 subdivision shall be precluded from authenticating such consumer's
177 identity, or taking action to prevent such automatic renewal or prevent
178 or terminate provision of continuous consumer services, offline by any
179 other method set forth in subparagraph (A) of subdivision (1) of
180 subsection (b) of this section.

181 Sec. 2. (NEW) (*Effective October 1, 2023*) (a) For the purposes of this
182 section:

183 (1) "Consumer" means an individual who is a resident of this state
184 and a recipient, or a prospective recipient, of consumer goods or
185 services;

186 (2) "Consumer bill" means a bill or invoice for consumer goods or
187 services delivered or provided to a consumer by, or on behalf of, a
188 person doing business in this state;

189 (3) "Consumer goods or services" means articles or services that are
190 purchased, leased, exchanged or received primarily for personal, family
191 or household purposes; and

192 (4) "Person" means any individual, corporation, partnership, limited
193 liability company, association, joint stock company, business trust,
194 unincorporated organization or other legal entity.

195 (b) Each person doing business in this state that delivers or provides
196 consumer goods or services to consumers and issues, or causes to be
197 issued, consumer bills in an electronic form shall provide to any
198 consumer, on such consumer's request, consumer bills in paper form.
199 No such person shall impose, or cause to be imposed, any charge or fee
200 for providing any such consumer bill in paper form.

201 (c) The Commissioner of Consumer Protection may adopt
202 regulations, in accordance with the provisions of chapter 54 of the

203 general statutes, to carry out the purposes of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2023	New section
Sec. 2	October 1, 2023	New section

Statement of Purpose:

To: (1) Require any business that enters into a consumer agreement that contains an automatic renewal or continuous services provision to provide various consumer notices, and enable any consumer who enters into such an agreement online to terminate such agreement online; (2) require certain persons doing business in this state to provide bills to certain consumers in paper form; and (3) provide that certain persons doing business in this state shall not impose any charge or fee for providing bills to consumers in paper form.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. CARNEY, 23rd Dist.; REP. FISHBEIN, 90th Dist.

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