

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2511 Session of 2022

INTRODUCED BY CIRESI, HILL-EVANS, PARKER, McNEILL, MADDEN, HOHENSTEIN, SANCHEZ, BROOKS, BOBACK, SCHLOSSBERG, DELLOSO, DeLUCA, N. NELSON, MENTZER, NEILSON, D. WILLIAMS, WELBY, HENNESSEY, GUZMAN, WARREN AND CEPHAS, APRIL 13, 2022

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, APRIL 13, 2022

AN ACT

1 Amending the act of December 17, 1968 (P.L.1224, No.387),
 2 entitled "An act prohibiting unfair methods of competition
 3 and unfair or deceptive acts or practices in the conduct of
 4 any trade or commerce, giving the Attorney General and
 5 District Attorneys certain powers and duties and providing
 6 penalties," providing for unlawful retention policy.

7 The General Assembly of the Commonwealth of Pennsylvania
 8 hereby enacts as follows:

9 Section 1. The act of December 17, 1968 (P.L.1224, No.387),
 10 known as the Unfair Trade Practices and Consumer Protection Law,
 11 is amended by adding a section to read:

12 Section 3.2. Unlawful Retention Policy.--(a) A business
 13 entity that makes automatic renewal offers or continuous service
 14 offers for goods or services to consumers shall do all of the
 15 following:

16 (1) Provide an acknowledgment to a consumer. The
 17 acknowledgment shall disclose the automatic renewal offer terms
 18 or continuous service offer terms, the cancellation policy and
 19 information regarding how to cancel the goods or services in a

1 manner that is capable of being retained by the consumer. If the
2 automatic renewal offer or continuous service offer includes a
3 free gift or trial, the acknowledgment shall disclose how to
4 cancel the goods or services and allow the consumer to cancel
5 the goods or services before the consumer pays for the goods or
6 services.

7 (2) Disclose the automatic renewal offer or continuous
8 service offer to a consumer in a contract or a contract offer in
9 bold face with a font size equal to the font size of the
10 surrounding text, or a font size of ten points, whichever is
11 greater.

12 (3) Allow a consumer who accepts the automatic renewal offer
13 or a continuous service offer over the Internet to terminate the
14 acceptance of the goods or services exclusively over the
15 Internet. A business entity may allow a consumer to terminate
16 the automatic renewal offer or continuous service offer under
17 this clause by electronic mail formatted and provided by the
18 business entity without requiring the consumer to provide
19 additional information.

20 (4) In the case of a material change in the terms of the
21 automatic renewal offer or continuous service offer, provide a
22 consumer with a clear and conspicuous notice of the material
23 change and information regarding how to cancel the goods or
24 services in a manner that is capable of being retained by the
25 consumer.

26 (b) This section shall not apply to a business entity that
27 is subject to the act of December 21, 1989 (P.L.672, No.87),
28 known as the Health Club Act.

29 (c) A violation of this section shall constitute unfair
30 methods of competition and unfair or deceptive acts or practices

1 and shall be subject to the enforcement provisions and private
2 rights of action specified in this act.

3 Section 2. This act shall take effect in 60 days.