

HCS HB 766 -- AUTOMATICALLY RENEWED TRANSACTIONS

SPONSOR: Andrews

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Special Committee on Small Business by a vote of 14 to 0.

The following is a summary of the House Committee Substitute for HB 766.

This bill requires businesses that make automatic renewal or continuous service offers to provide customers with clear information and costs, including any price changes after initial free trial periods or gifts, in a manner that may be retained by the customer, prior to collecting payment for any goods or services. It also requires the customer to be given cost-effective, timely, and easy-to-use mechanisms for cancellation and for automatic renewal or continuous service.

This bill is effective July 1, 2022.

This bill is similar to HB 2584 (2020).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that the bill will provide greater consumer protection by allowing consumers to have a way to modify or discontinue products that they have purchased with automatic renewal. This will give them a way to cancel subscription based services.

Testifying for the bill were Representative Andrews; and Arnie C. Dienoff.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say we like the bill but are working with the sponsor to make some minor changes that will make it better for both the consumer and the business having this type of service.

Testifying on the bill was Microsoft Corporation.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.