



General Assembly

Substitute Bill No. 399

February Session, 2004

* SB00399GL 030904 *

**AN ACT CONCERNING INTRODUCTORY RATE OFFERS AND
AUTOMATIC RENEWAL OF CONSUMER CONTRACTS.**

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

1 Section 1. Section 42-126b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2004*):

3 (a) No person, firm, partnership, association or corporation, or agent
4 or employee thereof, shall, in any manner, or by any means, offer for
5 sale goods, wares or merchandise, where the offer includes the
6 voluntary and unsolicited sending of goods, wares or merchandise not
7 actually ordered or requested by the recipient, either orally or in
8 writing. The receipt of any such unsolicited goods, wares or
9 merchandise shall for all purposes be deemed an unconditional gift to
10 the recipient who may use or dispose of the same in any manner [he]
11 such recipient sees fit without any obligation on [his] such recipient's
12 part to the sender.

13 (b) Any person, firm, partnership, association or corporation that
14 sells or offers to sell any products or services used primarily for
15 personal, family or household purposes pursuant to a trial offer or at
16 an introductory rate that will change at the end of the introductory rate
17 period, shall provide the recipient of such products or services with
18 clear and conspicuous written notice that the recipient may cancel such
19 products or services upon the expiration of such trial offer or

20 introductory rate period. Such notice shall include the procedure for
21 such cancellation and shall be provided with any written promotional
22 material for such products or services furnished to the recipient before
23 the start of the trial offer or the introductory rate period or with the
24 initial delivery of such products or services to the recipient. Any such
25 products or services furnished to the recipient after the expiration of
26 such trial offer or introductory rate period, where such trial offer or
27 introductory rate period is cancelled or not otherwise renewed or
28 continued by the recipient, shall be deemed an unconditional gift
29 under subsection (a) of this section. The provisions of this subsection
30 shall not apply to (1) any trial offer or introductory rate period
31 provided by a public service company, as defined in section 16-1, as
32 amended, an affiliate or subsidiary of such public service company, or
33 any certified telecommunications provider, as defined in section 16-1,
34 as amended, to any consumer with whom such public service
35 company, affiliate or subsidiary, or certified telecommunications
36 provider has an established and ongoing business relationship,
37 provided such public service company, affiliate or subsidiary, or
38 certified telecommunications provider shall inform such consumer of
39 the procedure to cancel such trial offer [, and] or to cancel after the
40 expiration of the introductory rate period, (2) any transaction
41 involving the use of a negative option plan that is governed by 16 CFR
42 Part 425, and (3) a contract subject to the provisions of sections 36a-675
43 to 36a-685, inclusive.

44 (c) No person, firm, partnership, association or corporation shall sell
45 or offer to sell any products or services used primarily for personal,
46 family or household use for a period of time exceeding twelve months
47 pursuant to a written contract. No contract for the sale of such
48 products or services shall provide for the automatic renewal of the
49 contract for more than thirty-one days for each renewal.

50 (d) The provisions of this section shall not apply to any banking,
51 insurance or securities product or service, the provision of which is
52 subject to regulation or licensing by the state or a federal agency.

53 [(c)] (e) A violation of any provision of this section shall be deemed
54 an unfair or deceptive trade practice under subsection (a) of section 42-
55 110b.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>

GL *Joint Favorable Subst.*