



General Assembly

January Session, 2023

**Substitute Bill No. 5314**



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

115 such period expires.

116 (iii) Such business shall not be required to make the disclosure  
117 required under subparagraph (F)(i) or (F)(ii) of this subdivision if such  
118 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 is 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 Legislative Commissioners:**

In Section 1(b)(1)(F)(ii), "shall make" was changed to "makes" for internal consistency; in Sections 1(b)(1)(F)(ii)(I) and (II), "if" was changed to "where" for clarity; in Section 1(b)(1)(F)(iii), "subparagraphs (F)(i) and (F)(ii)" was changed to "subparagraph (F)(i) or (F)(ii)" for accuracy; and in Section 1(b)(2)(A)(ii)(II), "or set off" was changed to "or is set off" for clarity.

**GL**      *Joint Favorable Subst. -LCO*