



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of HB107**

Testimony by Delegate Andrew Pruski

January 21, 2025 – Economic Matters Committee

**What the Bill Does:**

The purpose of Bill 1049 Consumer Protection - Automatic Renewals establishes a regulatory framework to govern “automatic renewals,” which the bill defines as any contract, plan, or agreement between a consumer and a seller in which a paid subscription or purchasing agreement is automatically renewed at the end of a definite term for a subsequent term. Violation of the bill is an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act (MCPA), subject to civil and criminal penalty provisions.

**Why the Bill is Important:**

In numerous instances consumers are exposed to unfair, abusive, or deceptive trade practices in which there is a subscription or purchasing agreement is renewed. While intentional or not, this bill looks to improve consumer knowledge, disclosure, and transparency of transactions involving subscriptions or purchasing agreement.

To provide some specific details, the following are included in the bill:

- Require that consumers are provided with the terms of the offer in a clear and conspicuous manner before the subscription or purchasing agreement is fulfilled and in visual proximity to, or in the case of an offer conveyed orally, at the same time as, the request for consent to the offer, include the price that will be charged after the initial term ends or the manner in which the subscription or purchasing agreement will change at the end of the initial term
- Present consumers with an easily accessible disclosure of the methods that the consumer may use to cancel the automatic renewal; and allow the consumer to terminate the offer in a manner that does not delay, hinder, or obstruct the consumer’s ability to terminate the automatic renewal.
- Violation of the bill is an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act (MCPA), subject to MCPA’s civil and criminal penalty provisions.
- If the offer includes a free gift or trial, the offer must include a clear and conspicuous explanation of the price that will be charged after the trial ends and the manner in which the subscription or purchasing agreement pricing will change at the end of the trial.

**On behalf of Maryland’s consumers, I urge a favorable report on HB107.**