



Testimony on behalf of the Greater Bethesda Chamber of Commerce

*In Opposition to
House Bill 1205—Commercial Law—Consumer Protection—Automated Bill Payments*

*March 1, 2022
House Economic Matters Committee*

The Greater Bethesda Chamber of Commerce (GBCC) was founded in 1926. Since then, the organization has grown to more than 550 businesses located throughout the Greater Bethesda area and beyond. On behalf of these members, we appreciate the opportunity to provide written comments on House Bill 1205—Commercial Law—Consumer Protection—Automated Bill Payments.

House Bill 1205 requires that use an automated bill payment system to provide notice to a consumer at least two business days before a payment is to be deducted from their bank or credit card account. In addition, the notice must provide the consumer with an option to stop using the automated bill payment system and, if applicable, the number of payments or time left on the contract between the business and the consumer. We believe that this bill is incredibly burdensome, especially for smaller businesses and organizations. For membership organizations like trade associations or local Chambers of Commerce who renew memberships on a rolling basis as opposed to at the end or beginning of a calendar year, the time it would take to meet a requirement like the one proposed in House Bill 1205 would be unmanageable. We believe that clear communication, orally and/or in writing, about the terms of a contract or a purchase prior to opting into an automated bill payment system is enough to address any potential issues.

For these reasons, we would respectfully request an unfavorable vote on House Bill 1205.