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In Senate, April 15, 2025

An Act to Protect Maine Consumers by Simplifying Subscription Cancellations

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DAREK M. GRANT Secretary of the Senate

Presented by Senator NANGLE of Cumberland.

- Be it enacted by the People of the State of Maine as follows:
 - **Sec. 1. 10 MRSA §1210-C, sub-§1, ¶A,** as enacted by PL 2019, c. 175, §1, is amended to read:
 - A. "Automatic subscription renewal" means an <u>offer or</u> agreement to provide any of the following goods or services for a specified time and price that is automatically renewed at the end of a definite term for a subsequent term unless the consumer cancels affirmatively acts to cancel the agreement or to reject further provision of the goods or services:
 - (1) Online magazines, journals and periodicals;
 - (2) Online media players;
 - (3) Mobile apps;

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- (4) Social networking services;
- (5) Internet game services; and
 - (6) Online software.
 - **Sec. 2. 10 MRSA §1210-C, sub-§1, ¶B,** as enacted by PL 2019, c. 175, §1, is amended to read:
 - B. "Extended automatic subscription renewal" means an automatic subscription renewal with a specified subscription term of 12 months or more, in which the subscription automatically renews for a specified term of more than one month unless the consumer eancels affirmatively acts to cancel the subscription or to reject further provision of the goods or services.
 - **Sec. 3. 10 MRSA §1210-C, sub-§2,** as enacted by PL 2019, c. 175, §1, is amended to read:
 - 2. Method of cancellation of automatic subscription renewal; required seller disclosure; misrepresentation. A seller may not make an automatic subscription renewal offer to a consumer in this State unless the seller presents that consumer with an a clear, conspicuous and easily accessible disclosure of all material terms of the renewal offer and of the methods that the consumer may use to cancel the subscription. A seller shall obtain the express consent of a consumer to automatic subscription renewal prior to enrollment through a check box, electronic signature requirement or other affirmative action by the consumer agreeing to the renewal offer. The seller must provide for online cancellation of the subscription by any means of communicating information over a computer network by a consumer using the same method and in the same manner by which the consumer initially agreed to the subscription. If a phone number is also provided for the purposes of cancellation of the subscription, the number must be toll-free and must be prominently displayed in the disclosure. The disclosure must also include, but is not limited to, information regarding the amount and frequency of subscription charges and the seller's refund policy upon cancellation. In marketing, offering or selling a subscription with an automatic subscription renewal, a seller may not make any misrepresentation of a material fact associated with that renewal offer.
 - **Sec. 4. 10 MRSA §1210-C, sub-§3,** as enacted by PL 2019, c. 175, §1, is amended to read:

- 3. Extended automatic subscriptions subscription renewals; additional notice requirement. A seller may not make an extended automatic subscription renewal offer to a consumer in this State unless the seller complies with the same requirements and restrictions applicable to automatic subscription renewals under subsection 2 and additionally notifies the consumer of the automatic renewal in accordance with this subsection. Notice must be provided to the consumer no less No fewer than 30 days and no more than 60 days before the cancellation deadline pursuant to the automatic subscription renewal. The seller must provide for online cancellation of the subscription by any means of communicating information over a computer network. The notice for an extended automatic subscription renewal, the seller must provide notice to the consumer regarding the renewal, which must disclose clearly and conspicuously:
 - A. That unless the consumer cancels the subscription it will automatically renew; and
 - B. Where the consumer can obtain details regarding the automatic subscription renewal and cancellation procedure.
- **Sec. 5. 10 MRSA §1210-D, sub-§1,** as enacted by PL 2019, c. 175, §1, is amended to read:
- 1. Violations. A violation of this section is a violation of the Maine Unfair Trade Practices Act. Notwithstanding any provision of law to the contrary, in addition to damages or penalties authorized pursuant to the Maine Unfair Trade Practices Act, a person found in violation of this chapter based on unauthorized subscription or other charges billed to or paid by a consumer is required to provide to the consumer a refund or credit for 3 times the unauthorized amounts billed or paid.

Sec. 6. 10 MRSA §1210-D, sub-§3 is enacted to read:

- 3. Enforcement; rules. The Attorney General shall enforce the provisions of this chapter and shall bring necessary actions for violations of this chapter in accordance with this section. The Attorney General may adopt rules necessary for the enforcement of this chapter. Rules adopted by the Attorney General pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
- **Sec. 7. Application.** Notwithstanding the Maine Revised Statutes, Title 10, section 1210-C, subsection 4, this Act applies only to offers or agreements entered into or renewed on or after January 1, 2026 under which a seller makes an automatic subscription renewal or extended automatic subscription renewal offer to a consumer in this State.

33 SUMMARY

This bill amends the law regulating automatic subscription renewals to clarify the disclosure requirements for sellers offering such subscriptions, including by requiring a seller to obtain a consumer's express consent for automatic subscription renewal prior to enrollment through a check box, electronic signature requirement or other affirmative action by the consumer agreeing to the renewal offer; by requiring the seller to provide for cancellation of such subscriptions by a consumer using the same method and in the same manner by which the consumer initially agreed to the subscription; and by prohibiting a seller from misrepresenting a material fact regarding an automatic subscription renewal offer in the marketing, offering or selling of such subscriptions.

The bill directs the Attorney General to enforce the provisions of the law regulating automatic subscription renewals, to bring necessary actions for violations of that law and to adopt rules necessary for the enforcement of that law. It also provides that, in addition to damages or penalties authorized pursuant to the Maine Unfair Trade Practices Act, a person found in violation of that law based on unauthorized subscription or other charges billed to or paid by a consumer is required to provide to the consumer a refund or credit for 3 times the unauthorized amounts billed or paid.

The changes provided in the bill to the law regulating automatic subscription renewals apply only to offers or agreements entered into or renewed on or after January 1, 2026 under which a seller makes an automatic subscription renewal or extended automatic subscription renewal offer to a consumer in this State.