

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 129 Session of 2025

INTRODUCED BY BOROWSKI, VENKAT, GIRAL, HOWARD, PROBST, KHAN, CIRESI, SANCHEZ, HADDOCK, SHUSTERMAN, GUENST, PROKOPIAK, CERRATO, GREEN, WAXMAN AND RIVERA, JANUARY 16, 2025

AS REPORTED FROM COMMITTEE ON COMMUNICATIONS AND TECHNOLOGY, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 10, 2025

AN ACT

1 Amending the act of December 17, 1968 (P.L.1224, No.387),
2 entitled "An act prohibiting unfair methods of competition
3 and unfair or deceptive acts or practices in the conduct of
4 any trade or commerce, giving the Attorney General and
5 District Attorneys certain powers and duties and providing
6 penalties," further providing for definitions.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Section 2(4) of the act of December 17, 1968
10 (P.L.1224, No.387), known as the Unfair Trade Practices and
11 Consumer Protection Law, is amended by adding a subclause AND <--

12 THE SECTION IS AMENDED BY ADDING A CLAUSE to read:

13 Section 2. Definitions.--As used in this act.

14 * * *

15 (4) "Unfair methods of competition" and "unfair or deceptive
16 acts or practices" mean any one or more of the following:

17 * * *

18 (xx.1) Using a form or other document related to a consumer
19 transaction that contains an automatic renewal provision or a

1 provision creating any other form of negative option plan. For
2 purposes of this subclause, the following shall apply:

3 ~~(A) The term "negative option plan" means a transaction that <--~~
4 ~~involves a seller and a consumer and includes the sending of~~
5 ~~goods or performance of services not actually ordered or~~
6 ~~requested by the consumer or that the consumer must opt out from~~
7 ~~ordering or receiving, unless:~~

8 (A) THE TERM "NEGATIVE OPTION PLAN" MEANS AN AGREEMENT IN <--
9 WHICH THE CONSUMER'S SILENCE OR FAILURE TO TAKE AFFIRMATIVE
10 ACTION TO REJECT A GOOD OR SERVICE OR TO CANCEL THE AGREEMENT IS
11 INTERPRETED BY THE NEGATIVE OPTION SELLER AS ACCEPTANCE OR
12 CONTINUING ACCEPTANCE OF THE OFFER, INCLUDING, BUT NOT LIMITED
13 TO, AN AUTOMATIC RENEWAL, A CONTINUITY PLAN, A FREE-TO-PAY
14 CONVERSION OR FEE-TO-PAY CONVERSION OR A PRE-NOTIFICATION
15 NEGATIVE OPTION PLAN, UNLESS:

16 (I) The provision regarding the transaction is specified in
17 a clear and conspicuous manner, ~~is in at least twelve point <--~~
18 ~~type, is boldfaced and includes all of the following:~~

19 ~~(a) The specific procedure by which the consumer may cancel <--~~
20 ~~at the end of the initial term and the terms of the automatic~~
21 ~~renewal.~~

22 ~~(b) (A) An acknowledgment that includes the automatic <--~~
23 ~~renewal offer terms and information regarding how to THE <--~~
24 ~~SPECIFIC PROCEDURE BY WHICH THE CONSUMER MAY cancel in a manner~~
25 ~~that is capable of being retained by the consumer.~~

26 ~~(c) (B) A guarantee that the seller will notify the consumer <--~~
27 ~~before the automatic renewal occurs:~~

28 (i) Not more than fifteen days before a renewal period of
29 less than three months.

30 (ii) Not more than thirty days before a renewal period of

1 three months or more.

2 (iii) Using means of communication chosen by the consumer. <--

3 (II) The renewal period does not exceed twelve months. BY <--

4 WHICH THE CONSUMER COMMONLY INTERACTS WITH THE BUSINESS.

5 (III) (II) If the offer includes a free, discounted or <--

6 otherwise different introductory trial, all of the following

7 apply:

8 (a) The seller discloses in the acknowledgment required

9 under subunit (I) (b) (I) (A) how to cancel and allow the consumer <--

10 to cancel before the consumer pays the full amount for the goods

11 or services.

12 (b) At the initiation of an introductory trial period, the

13 seller discloses a description of all charges that will be

14 imposed after the introductory trial period ends, including

15 whether billing will include charges for shipping and handling

16 and the amount of the shipping and handling charges.

17 (IV) (III) The means MECHANISMS of cancellation available to <--

18 the consumer are identical to the means MECHANISMS by which the <--

19 consumer may agree to the provision.

20 (V) (IV) The seller does not make or submit a charge to the <--

21 consumer's credit card, debit card, bank account, account with a

22 third party or other financial account, unless the seller has

23 complied with the requirements of this subclause and obtained

24 the consumer's affirmative consent to the agreement containing

25 the terms of the automatic renewal. As used in this subunit, the

26 term "affirmative consent":

27 (a) Means a clear, affirmative act signifying the consumer's

28 freely given, specific, informed and unambiguous agreement to

29 the automatic renewal or continuous service terms.

30 (b) Includes a written statement, including a statement

1 written by electronic means, or an unambiguous affirmative
2 action.

3 (B) This subclause shall not apply to any of the following:

4 (I) A business entity that is subject to the act of December
5 21, 1989 (P.L.672, No.87), known as the "Health Club Act."

6 (II) A service provided by a business entity or its
7 affiliate in accordance with a franchise issued by a political
8 subdivision.

9 (III) A service provided by a business entity or its
10 affiliate for which the business entity or its affiliate is
11 regulated by the Federal Communications Commission, the Federal
12 Energy Regulatory Commission or the Pennsylvania Public Utility
13 Commission.

14 (IV) A business-to-business or business-to-government
15 enterprise for products or software.

16 (V) An entity regulated by the Insurance Department.

17 (VI) A contract subject to 66 Pa.C.S. Ch. 22 (relating to
18 natural gas competition) or 28 (relating to restructuring of
19 electric utility industry).

20 (VII) SERVICES FOR THE INSTALLATION, SERVICE, INSPECTION, <--
21 TESTING, MAINTENANCE OR MONITORING OF A SECURITY SYSTEM. AS USED
22 IN THIS SUBUNIT, THE TERM "SECURITY SYSTEM" MEANS AN ASSEMBLY OF
23 ELECTRONIC EQUIPMENT AND DEVICES THAT PROVIDES, AS ITS MAIN
24 PURPOSE, THE PROTECTION OF LIFE OR PROPERTY AND THE DETECTION OF
25 THREATS OR VIOLATIONS TO THE SECURITY OF THE PROTECTED PREMISES.
26 THE SYSTEMS FUNCTIONS INCLUDE, SOLELY OR IN COMBINATION: BURGLAR
27 ALARM SYSTEMS, FIRE ALARM AND SPRINKLER SYSTEMS, ELECTRONIC
28 ACCESS CONTROL SYSTEMS, VIDEO SURVEILLANCE SYSTEMS OR PERSONAL
29 EMERGENCY RESPONSE SYSTEMS.

30 * * *

1 (14) "CLEAR AND CONSPICUOUS" MEANS, IN REFERENCE TO TEXT,
2 TYPE LARGER THAN THE SURROUNDING TEXT, OR IN CONTRASTING TYPE,
3 FONT, OR COLOR TO THE SURROUNDING TEXT OF THE SAME SIZE, OR SET
4 OFF FROM THE SURROUNDING TEXT OF THE SAME SIZE BY SYMBOLS OR
5 OTHER MARKS, IN A MANNER THAT CLEARLY CALLS ATTENTION TO THE
6 LANGUAGE.

7 * * *

8 Section 2. This act shall take effect in 60 days.