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 AND PROKOPIAK, JANUARY 16, 2025

REFERRED TO COMMITTEE ON COMMUNICATIONS AND TECHNOLOGY, JANUARY 16, 2025

AN ACT

1 2 3 4 5 6	Amending the act of December 17, 1968 (P.L.1224, No.387), entitled "An act prohibiting unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce, giving the Attorney General and District Attorneys certain powers and duties and providing 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 to
12	read:
13	Section 2. DefinitionsAs 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	(I) The provision regarding the transaction is specified in
9	a clear and conspicuous manner, is in at least twelve-point
10	type, is boldfaced and includes all of the following:
11	(a) The specific procedure by which the consumer may cancel
12	at the end of the initial term and the terms of the automatic
13	renewal.
14	(b) An acknowledgment that includes the automatic renewal
15	offer terms and information regarding how to cancel in a manner
16	that is capable of being retained by the consumer.
17	(c) A guarantee that the seller will notify the consumer
18	before the automatic renewal occurs:
19	(i) Not more than fifteen days before a renewal period of
20	less than three months.
21	(ii) Not more than thirty days before a renewal period of
22	three months or more.
23	(iii) Using means of communication chosen by the consumer.
24	(II) The renewal period does not exceed twelve months.
25	(III) If the offer includes a free, discounted or otherwise
26	different introductory trial, all of the following apply:
27	(a) The seller discloses in the acknowledgment required
28	under subunit (I)(b) how to cancel and allow the consumer to
29	cancel before the consumer pays the full amount for the goods or
30	services.
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1	(b) At the initiation of an introductory trial period, the
2	seller discloses a description of all charges that will be
3	imposed after the introductory trial period ends, including
4	whether billing will include charges for shipping and handling
5	and the amount of the shipping and handling charges.
6	(IV) The means of cancellation available to the consumer are
7	identical to the means by which the consumer may agree to the
8	provision.
9	(V) The seller does not make or submit a charge to the
10	consumer's credit card, debit card, bank account, account with a
11	third party or other financial account, unless the seller has
12	complied with the requirements of this subclause and obtained
13	the consumer's affirmative consent to the agreement containing
14	the terms of the automatic renewal. As used in this subunit, the
15	term "affirmative consent":
16	(a) Means a clear, affirmative act signifying the consumer's
17	freely given, specific, informed and unambiguous agreement to
18	the automatic renewal or continuous service terms.
19	(b) Includes a written statement, including a statement
20	written by electronic means, or an unambiguous affirmative
21	action.
22	(B) This subclause shall not apply to any of the following:
23	(I) A business entity that is subject to the act of December
24	21, 1989 (P.L.672, No.87), known as the "Health Club Act."
25	(II) A service provided by a business entity or its
26	affiliate in accordance with a franchise issued by a political
27	subdivision.
28	(III) A service provided by a business entity or its
29	affiliate for which the business entity or its affiliate is
30	regulated by the Federal Communications Commission, the Federal
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- 1 Energy Regulatory Commission or the Pennsylvania Public Utility_
- 2 <u>Commission</u>.
- 3 <u>(IV) A business-to-business or business-to-government</u>
- 4 <u>enterprise for products or software.</u>
- 5 (V) An entity regulated by the Insurance Department.
- 6 (VI) A contract subject to 66 Pa.C.S. Ch. 22 (relating to
- 7 natural gas competition) or 28 (relating to restructuring of
- 8 <u>electric utility industry).</u>
- 9 * * *
- 10 Section 2. This act shall take effect in 60 days.