



Title: West Virginia Senate Bill 33

Subject: Automatic Renewal and Continuous Service

Summary:

West Virginia Senate Bill 33 creates a new article governing automatic renewal and continuous service offers. The bill, as amended, incorporates all recommendations offered by the SCIC.

The bill requires affirmative consent be obtained by businesses who make automatic renewal offers or continuous service offers to consumers. It also requires, among other things, certain disclosures and notices be provided to consumers.

The bill defines "automatic renewal" as a plan or arrangement in which a paid subscription or purchasing agreement is automatically renewed at the end of a definite term for a specified period of more than one month. "Continuous service" means a plan or arrangement for a specified period of more than one month in which a subscription or purchasing agreement continues until the consumer cancels the service.

The bill provides a number of express exemptions including for:

- Any entity or one of its affiliates regulated by the insurance Commission;
- Banks, bank holding companies, or the subsidiary or affiliate of either, or credit unions or other financial institutions, licensed under state or federal law; and, at the request of the SCIC,
- A contract that is cancellable by the consumer at any time with a pro rata refund of any unearned amounts provided to the consumer upon cancellation. Such a contract may include a cancellation fee but such fee may not exceed 10 percent of the purchase price of \$50, whichever is less.

The bill creates a private right of action for alleged harm caused by a violation of this article, which may seek damages, injunctive relief, or both. The bill also provides a civil penalty for violation of the article, but there is a safe harbor from the civil penalty for a business which makes a good-faith effort to comply with the article.

Last Action: Died in committee

Date Filed:	01/12/2022	
Date/Type of Last Action:	01/12/2022	Filed for Introduction; Introduced in Senate; assigned to Judiciary
	02/10/2022	Committee substitute reported
	02/11/2022	On 1 st reading Read 1 st time
	02/14/2022	On 2 nd Reading Read 2 nd time
	02/15/2022	On 3 rd Reading Read 3 rd time Passed Senate (33-0) Ordered to House Introduced in House To House Judiciary