

HR 1097

Unsubscribe Act of 2017

Congress: 115 (2017–2019, Ended)

Chamber: House

Policy Area: Commerce

Introduced: Feb 15, 2017

Current Status: Referred to the Subcommittee on Digital Commerce and Consumer Protection.

Latest Action: Referred to the Subcommittee on Digital Commerce and Consumer Protection. (Feb 17, 2017)

Official Text: <https://www.congress.gov/bill/115th-congress/house-bill/1097>

Sponsor

Name: Rep. Takano, Mark [D-CA-41]

Party: Democratic • **State:** CA • **Chamber:** House

Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Bishop, Sanford D., Jr. [D-GA-2]	D · GA		Feb 15, 2017
Rep. Carson, Andre [D-IN-7]	D · IN		Mar 1, 2017
Rep. Kaptur, Marcy [D-OH-9]	D · OH		Apr 27, 2017
Rep. Johnson, Henry C. "Hank," Jr. [D-GA-4]	D · GA		Jun 12, 2017

Committee Activity

Committee	Chamber	Activity	Date
Energy and Commerce Committee	House	Referred to	Feb 17, 2017

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

No related bills are listed.

Unsubscribe Act of 2017

This bill prohibits a negative option agreement from being entered on the Internet with consumers unless it provides the consumers a mechanism to cancel in the same manner, and by the same means, in which the agreement was entered.

The bill defines a "negative option agreement" as:

- an automatic renewal contract that is automatically renewed after an initial fixed period, unless the consumer instructs otherwise;
- a continuity plan contract under which the consumer agrees to incur charges in exchange for periodic shipments of goods or the provision of services, unless the consumer instructs otherwise;
- a "free-to-pay conversion contract" under which, for an introductory period, the consumer receives a good or service at no charge or for a nominal charge, and then after the introductory period, the consumer is charged, or is charged an increased amount, for the good or service; or
- a "pre-notification negative option plan contract" under which the consumer receives periodic notices offering goods and, unless the consumer specifically rejects the offer, the consumer automatically receives the goods and incurs a charge for such goods.

For free-to-pay conversion contracts entered into on the Internet, the consumer's consent must be obtained: (1) before obtaining the consumer's billing information after notice is provided of the terms of the contract, and (2) before the initial charge or initial increase after the introductory period through a requirement that the consumer perform an additional affirmative action (e.g., clicking on a confirmation button) indicating consent to be charged the amount disclosed.

After the introductory period in such a free-to-pay conversion contract, and on a quarterly basis while the contract remains in effect, the consumer must be provided with a copy of the notification of the terms of the contract.

In automatic renewal contracts, the consumer must be: (1) notified of the terms of the contract not later than 30 days before the end of the initial fixed period in the contract, and (2) provided a copy of the notification after the initial fixed period and on quarterly basis while the contract remains in effect.

The Federal Trade Commission and states are provided authority to enforce against violations of this bill. Violations shall be treated as unfair or deceptive acts or practices under the Federal Trade Commission Act.

Actions Timeline

- **Feb 17, 2017:** Referred to the Subcommittee on Digital Commerce and Consumer Protection.
- **Feb 15, 2017:** Introduced in House
- **Feb 15, 2017:** Referred to the House Committee on Energy and Commerce.