

119TH CONGRESS
1ST SESSION

S. 2266

To provide for automatic renewal protections, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 14, 2025

Mr. VAN HOLLEN (for himself, Mr. BLUMENTHAL, Mr. WYDEN, Mr. LUJÁN, Mr. WELCH, Mr. REED, Mr. MERKLEY, Mr. FETTERMAN, Ms. HIRONO, Mrs. GILLIBRAND, and Mr. SANDERS) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To provide for automatic renewal protections, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Consumer Online Pay-
5 ment Transparency and Integrity Act”.

6 **SEC. 2. AUTOMATIC RENEWAL PROTECTIONS.**

7 (a) IN GENERAL.—A person who sells a good or serv-
8 ice to a consumer pursuant to a contract that includes
9 a free-to-pay conversion or negative option feature or any

1 other automatic renewal provision shall disclose such fea-
2 ture or provision and the cancellation procedure clearly
3 and conspicuously in the contract.

4 (b) AUTOMATIC RENEWAL.—A person who sells a
5 good or service to a consumer pursuant to a contract that
6 will automatically renew unless the consumer cancels the
7 contract shall—

8 (1) notify, in the same manner as the consumer
9 entered into the contract, the consumer of—

10 (A) the first automatic renewal (and of
11 each automatic renewal thereafter) not less
12 than 7 days (or a longer time period as deter-
13 mined appropriate by the Commission) before
14 the commencement of the renewal period; and

15 (B) how the consumer may simply cancel
16 the contract, which shall include—

17 (i) an online mechanism for cancella-
18 tion provided by the person; and

19 (ii) a toll-free telephone number, email
20 address, postal mail address, or other cost-
21 effective, timely, and easy-to-use mecha-
22 nism for cancellation provided by the per-
23 son;

24 (2) on an annual basis and notwithstanding the
25 consumer's consent to the initial term (or any subse-

1 quent term), obtain the consumer's express informed
2 consent to renew the contract before charging the
3 consumer for the automatic renewal; and

4 (3) notwithstanding the consumer's consent to
5 the initial term (or any subsequent term), in the
6 event that the person has actual knowledge that the
7 consumer has not used the good or service provided
8 under the contract for a period of 6 consecutive
9 months since the consumer's most recent express in-
10 formed consent—

11 (A) obtain the consumer's express in-
12 formed consent to the automatic renewal before
13 charging the consumer for the automatic re-
14 newal; and

15 (B) notify the consumer that the consumer
16 has a right to terminate the contract and re-
17 ceive a prorated refund for the remaining por-
18 tion of the contract.

19 (c) FREE TRIAL.—A person who sells a good or serv-
20 ice to a consumer pursuant to a contract that includes
21 a free-to-pay conversion feature with a free trial period,
22 shall—

23 (1) notify, in the same manner as the consumer
24 entered into the contract, the consumer—

1 (A) that the consumer will be charged for
2 the good or service not less than 7 days (or a
3 longer time period as determined appropriate by
4 the Commission) before the expiration of the
5 free trial period; and

6 (B) of how the consumer may simply can-
7 cel the contract, which shall include—

8 (i) an online mechanism for cancella-
9 tion provided by the person; and

10 (ii) a toll-free telephone number, email
11 address, postal mail address, or other cost-
12 effective, timely, and easy-to-use mecha-
13 nism for cancellation provided by the per-
14 son; and

15 (2) notwithstanding the consumer's consent to
16 the free trial, obtain the consumer's express in-
17 formed consent to the applicable charge for the good
18 or service not less than 7 days (or a longer time pe-
19 riod as determined appropriate by the Commission)
20 before the expiration of the free trial period and be-
21 fore charging the consumer for the automatic re-
22 newal.

23 (d) AUTOMATIC RENEWAL VOID.—In the case of a
24 violation of subsection (a), (b), or (c)—

1 (1) the applicable automatic renewal provision
 2 shall be void, and the contract shall terminate upon
 3 the occurrence of such violation; and

4 (2) the person who violated subsection (a), (b),
 5 or (c) shall provide the consumer with a refund for
 6 all amounts paid by the consumer due to such viola-
 7 tion.

8 (e) DARK PATTERNS.—With respect to a contract
 9 that includes a free-to-pay conversion or negative option
 10 feature or any other automatic renewal provision, a con-
 11 sumer’s consent obtained through the use of dark patterns
 12 shall not be considered express informed consent.

13 (f) EXEMPTIONS.—The requirements under sub-
 14 sections (a), (b), (c), and (d) shall not apply to a service
 15 contract or any other person or contract determined ap-
 16 propriate by the Commission.

17 (g) EFFECTIVE DATE.—The requirements under this
 18 section shall take effect on the date that is 1 year after
 19 the date of enactment of this Act.

20 **SEC. 3. ENFORCEMENT BY THE COMMISSION.**

21 (a) UNFAIR OR DECEPTIVE ACTS OR PRACTICES.—
 22 A violation of section 2 or a rule promulgated under this
 23 Act shall be treated as a violation of a rule defining an
 24 unfair or a deceptive act or practice under section

1 18(a)(1)(B) of the Federal Trade Commission Act (15
2 U.S.C. 57a(a)(1)(B)).

3 (b) POWERS OF THE COMMISSION.—

4 (1) IN GENERAL.—The Commission shall en-
5 force this Act in the same manner, by the same
6 means, and with the same jurisdiction, powers, and
7 duties as though all applicable terms and provisions
8 of the Federal Trade Commission Act (15 U.S.C. 41
9 et seq.) were incorporated into and made a part of
10 this Act.

11 (2) PRIVILEGES AND IMMUNITIES.—Any person
12 who violates section 2 or a rule promulgated under
13 this Act shall be subject to the penalties and entitled
14 to the privileges and immunities provided in the
15 Federal Trade Commission Act (15 U.S.C. 41 et
16 seq.).

17 (3) AUTHORITY PRESERVED.—Nothing in this
18 Act shall be construed to limit the authority of the
19 Commission under any other provision of law.

20 (4) RULEMAKING.—The Commission shall pro-
21 mulgate in accordance with section 553 of title 5,
22 United States Code, such rules as may be necessary
23 to carry out this Act, or to prevent unfair or decep-
24 tive acts or practices regarding free trials, automatic
25 renewals, or other contracts under which a con-

1 sumer’s silence or failure to take an affirmative ac-
2 tion to reject goods or services or to cancel an agree-
3 ment is interpreted by the seller as acceptance of the
4 offer.

5 **SEC. 4. DEFINITIONS.**

6 In this Act:

7 (1) COMMISSION.—The term “Commission”
8 means the Federal Trade Commission.

9 (2) CONSUMER.—The term “consumer” means
10 any person who seeks or acquires, by purchase or
11 lease, any goods or services.

12 (3) DARK PATTERNS.—The term “dark pat-
13 terns” means a user interface that has the substan-
14 tial effect of subverting or impairing user autonomy,
15 decision making, or choice.

16 (4) FREE-TO-PAY CONVERSION.—The term
17 “free-to-pay conversion” has the meaning given that
18 term in section 310.2 of title 16, Code of Federal
19 Regulations.

20 (5) NEGATIVE OPTION FEATURE.—The term
21 “negative option feature” has the meaning given
22 that term in section 310.2 of title 16, Code of Fed-
23 eral Regulations.

1 (6) SERVICE CONTRACT.—The term “service
2 contract” means a contract or agreement for a sepa-
3 rately stated consideration for any duration—

4 (A) to perform the repair, replacement, or
5 maintenance of property or indemnification for
6 service repair, replacement, or maintenance for
7 the operational or structural failure of any
8 motor vehicle or residential or other property
9 due to a defect in materials, workmanship, acci-
10 dental damage from handling, or normal wear
11 and tear; or

12 (B) to indemnify for the same, including
13 towing, rental, or emergency road service or
14 road hazard protection, and which may provide
15 for the service repair, replacement, or mainte-
16 nance of property for damage resulting from
17 power surges or interruption.

18 (7) SIMPLY CANCEL.—The term “simply can-
19 cel”, with respect to a contract, means the mecha-
20 nism for cancellation of such contract is at least as
21 easy to use as the mechanism the consumer used to
22 consent to such contract.

○