1   **VIRGINIA ACTS OF ASSEMBLY — CHAPTER**

2   *An Act to amend and reenact §§ 59.1-207.45 and 59.1-207.48 of the Code of Virginia, relating to*
3   *consumer protection; automatic renewal offers and continuous service offers; exemptions.*

4   [S 1540]
5   Approved

6   **Be it enacted by the General Assembly of Virginia:**
7   **1. That §§ 59.1-207.45 and 59.1-207.48 of the Code of Virginia are amended and reenacted as**
8   **follows:**
9   **§ 59.1-207.45. Definitions.**
10   As used in this chapter, unless the context requires a different meaning:
11   "Automatic renewal" means a plan or arrangement in which a paid subscription or purchasing
12   agreement is automatically renewed at the end of a definite term for a subsequent term *of more than one*
13   *month.*
14   "Automatic renewal offer terms" means the following clear and conspicuous disclosures:
15   1. That the subscription or purchasing agreement will continue until the consumer cancels;
16   2. The description of the cancellation policy that applies to the offer;
17   3. The recurring charges that will be charged to the consumer's credit or debit card or payment
18   account with a third party as part of the automatic renewal plan or arrangement and that the amount of
19   the charge may change, if that is the case, and the amount to which the charge will change, if known;
20   4. The length of the automatic renewal term or that the service is continuous, unless the length of the
21   term is chosen by the consumer; and
22   5. The minimum purchase obligation, if any.
23   "Clear and conspicuous" or "clearly and conspicuously" means in larger type than the surrounding
24   text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from the
25   surrounding text of the same size by symbols or other marks, in a manner that clearly calls attention to
26   the language. In the case of an audio disclosure, "clear and conspicuous" or "clearly and conspicuously"
27   means in a volume and cadence sufficient to be readily audible and understandable.
28   "Consumer" means any individual who seeks or acquires, by purchase or lease, any goods, services,
29   money, or credit for personal, family, or household purposes.
30   "Continuous service" means a plan or arrangement in which a subscription or purchasing agreement
31   continues until the consumer cancels the service.
32   "Supplier" has the same meaning ascribed thereto in § 59.1-198.
33   **§ 59.1-207.48. Exemptions.**
34   This chapter shall not apply to:
35   1. Any service provided by a supplier or its affiliate where either the supplier or its affiliate is doing
36   business pursuant to a franchise issued by a political subdivision of the Commonwealth or a license,
37   franchise, certificate, or other authorization issued by the State Corporation Commission to a public
38   service company or public utility pursuant to Title 56;
39   2. Any service provided by a supplier or its affiliate where either the supplier or its affiliate is
40   regulated by the State Corporation Commission, the Federal Communications Commission, or the
41   Federal Energy Regulatory Commission;
42   3. Alarm company operators that are regulated pursuant to § 15.2-911;
43   4. A bank, bank holding company, or the subsidiary or affiliate of either, or a credit union or other
44   financial institution, licensed under federal or state law;
45   5. Any home protection company regulated by the State Corporation Commission pursuant to
46   Chapter 26 (§ 38.2-2600 et seq.) of Title 38.2;
47   6. Any home service contract provider regulated by the Department of Agriculture and Consumer
48   Services pursuant to Chapter 33.1 (§ 59.1-434.1 et seq.); ~~or~~
49   7. *Any extended service contract provider regulated by the Department of Agriculture and Consumer*
50   *Services pursuant to Chapter 34 (§ 59.1-435 et seq.) or its affiliates;*
51   *8. Any insurer or entity regulated under Title 38.2 or an affiliate of such insurer or entity; or*
52   *9.* Any health club registered pursuant to the Virginia Health Club Act (59.1-294 et seq.).