

HOUSE BILL 1832

By Freeman

AN ACT to amend Tennessee Code Annotated, Title 47,
Chapter 18, relative to automatic renewal of
subscription services.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-18-133(a), is amended by deleting subdivision (2) and substituting:

(2)

(A) Obtain the consumer's affirmative consent to the agreement containing the automatic renewal offer terms or continuous service offer terms, including the terms of an automatic renewal offer or continuous service offer that is made at a promotional or discounted price for a limited period of time, before charging the consumer's credit or debit card, or the consumer's account through a third party, for an automatic renewal offer or continuous service offer; and

(B) If the charge to the consumer for the automatic renewal or continuous service will occur more than sixty (60) days after affirmative consent is obtained in accordance with subdivision (a)(2)(A), provide a clear and conspicuous notice to the consumer of when the business will charge the consumer for an automatic renewal or continuous service and obtain the consumer's affirmative consent again no less than sixty (60) days before the business charges the consumer's credit or debit card, or the consumer's account with a third party; and

SECTION 2. Tennessee Code Annotated, Section 47-18-133, is amended by deleting subsection (f) and substituting:

(f) As used in this section:

(1) "Affirmative consent":

(A) Means a clear, affirmative act signifying a consumer's freely given, specific, informed, and unambiguous agreement to the automatic renewal offer terms or continuous service terms; and

(B) Includes a written statement, including a statement written by electronic means, or an unambiguous affirmative action; and

(2) "Consumer" means an individual who acquires goods or services for personal, family, or household purposes.

SECTION 3. Tennessee Code Annotated, Section 47-18-133, is amended by adding the following as a new subsection:

() If a business does not obtain a consumer's affirmative consent in accordance with subdivision (a)(2)(A) or (B) and charges a consumer's credit or debit card, or the consumer's account through a third party, then the business shall refund the charge to the consumer, upon request by the consumer submitted within seven (7) days of the date on which the business charged the consumer's card or account.

SECTION 4. This act takes effect July 1, 2024, the public welfare requiring it, and applies to agreements entered into, renewed, or modified on or after that date.