



STATE PRIVACY AND SECURITY COALITION



February 28, 2018

Honorable Jeff Waldstreicher
Maryland House of Delegates
House Office Building, Room 414
6 Bladen Street
Annapolis, MD 21401

Dear Delegate Waldstreicher:

The undersigned associations represent hundreds of the country's leading technology companies in high-tech manufacturing, computer networking and information technology, clean energy, life sciences, internet media, ecommerce, education and sharing economy sectors. Our member companies are committed to advancing public policies and private sector initiatives that make the U.S. the most innovative country in the world.

We ask that you do not push forward HB 1372, the automatic renewal bill as introduced, as it would be unnecessary, could hinder efforts to provide Maryland consumers with convenient auto renewal tools, and may prove costly to both businesses and consumers. Further, the provisions outlined in the bill are unique to Maryland, creating additional burdens for national companies seeking to serve Maryland citizens.

The Restore Online Shoppers' Confidence Act (ROSCA) already requires online companies to provide customers with clear and conspicuous notice at the time a customer signs up to receive services that automatically renew. Companies must also disclose the material terms and conditions of the contract renewal in a clear and informed way and obtain opt-in from consumers before charging them for the services.

However, this bill as introduced would require companies to obtain a consumer's written consent and initialization of automatic renewal provisions that are not conducive to online enrollment and not like the requirements of any other state law. The bill's provisions do not account for varying business models and the service options available today to customers. Requiring initialization seems out dated and out of touch with common online consumer transactions occurring through devices like a tablet or mobile phone.

In contrast, industry worked with California legislators on a 2017 law to further protect Californians that requires consent through various methods prevalent in the marketplace along with a retainable confirmation of the agreement including cancellation policies. This balanced

approach also obviates the need for reminders, as Maryland consumers would have the means to cancel their automatic renewal at any time.

For these reasons, we urge you not to push forward HB 1372. Instead, we invite you to work with industry to advance the attached, well-thought out proposed language change that would both protect Maryland consumers and allow companies to continue to offer these conveniences. If Maryland lawmakers choose to move this bill forward with our suggested amendments, the undersigned organizations would be in support of it, as it would conform with the California law passed in 2017.

Please feel free to contact us with questions or if you would like to discuss these issue in more detail.

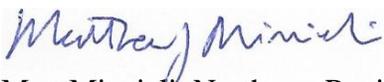
Sincerely,



Tammy Cota, Executive Director
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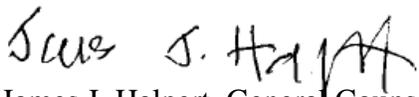
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