



TECHNET  
THE VOICE OF THE  
INNOVATION ECONOMY



Internet Association

CompTIA The IT Industry  
Trade Association

MPA THE ASSOCIATION OF  
MAGAZINE MEDIA

## STATE PRIVACY AND SECURITY COALITION

DMA DATA &  
MARKETING  
ASSOCIATION

NetChoice

March 22, 2018

Honorable Thomas Middleton  
Senate Finance Committee  
Miller Senate Office Building, 3 East Wing  
11 Bladen Street  
Annapolis, MD 21401

Dear Senator Middleton:

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.

**Without clarification changes, we ask that you do not advance HB 1372**, the automatic renewal bill, as it would be unnecessary, unique to Maryland and a limitation on interstate commerce. It would prove problematic for any entity wanting to serve Maryland consumers and grow to serve other states.

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.

While we agree that notices must be provided clearly and conspicuously disclosing autorenewal terms, and that a customer's affirmative consent to the contract should contain the autorenewal term, we cannot support legislation at this time that would require a SEPARATE consent for just autorenewal sections of the contract. This would prescribe a multi-step contract agreement that is incompatible with how agreements typically work when entered into through an online format so does not take into account the varying business models and the service options available today to customers.

Two other items of concern in the bill is that the cancellation notice must include a toll-free number, email address or postal address. However, to make this apply to online cancellations,

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we would suggest adding that a cost-effective, timely, and widely available mechanism for canceling the consumer contract also include the option of a website or URL (uniform record locator) OR mobile application.

Finally, the bill references allowing the consumer to cancel the “contract” which may have been a mistake and we think this was meant to say cancel the “automatic renewal” since it is a change in the renewal terms that would trigger this notice.

**For these reasons, we ask for clarification amendments be made to the bill or we ask that you please not advance HB 1372.**

Please feel free to contact Tammy Cota, Executive Director of the Internet Coalition with questions or if you would like to discuss these issue in more detail.

Sincerely,

Internet Coalition  
CompTIA  
Data & Marketing Association  
Internet Association  
NetChoice  
State Privacy and Security Coalition  
TechNet  
The Association of Magazine Media

cc: Senate Finance Committee Members