

Legal Services Advocacy Project

March 12, 2024

The Honorable Matt D. Klein Chair, Commerce and Consumer Protection Committee Minnesota Senate 2105 Minnesota Senate Building St. Paul, MN 55155

The Honorable Gary Dahms
Ranking Minority Leader, Commerce and Consumer Protection Committee
Minnesota Senate
2219 Minnesota Senate Building
St. Paul, MN 55155

SF 3920 - Automatic Renewals

Dear Chair Klein, Ranking Minority Leader Dahms, and Members of the Commerce & Consumer Protection Committee:

Legal Aid writes in support of SF 3920, which would create clear rules of the road and necessary consumer protections governing indefinite subscriptions and free trials. Legal Aid provides civil legal services to low-income Minnesotans, Minnesotans with disabilities, and elder Minnesotans, statewide, to help them meet their basic needs.

These automatic renewals can be convenient, but the Federal Trade Commission identifies consumer frustrations that occur when the offer is not clear and the consumer did not realize they were signing up indefinitely or the free trial leads to ongoing charges, or when a company makes it exceedingly complicated to cancel.

SF 3920 would require clear and conspicuous disclosure, affirmative consent, timely confirmation of acceptance of a continuous renewal offer, and notification of the option to cancel. It would prohibit early charges, and the codify the right to terminate at any time. SF 3920 seeks to reduce or eliminate ubiquitous consumer frustration with these types of offerings and continue Minnesota's reputation as a leader in consumer protection. Legal Aid urges passage of SF 3920. Thank you for your consideration.

Sincerely,

Ron Elwood

**Supervising Attorney** 

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