February 17, 2021

Honorable John Hunt, Chair
House Commerce and Consumer Affairs Committee
LOB Room 302
107 North Main Street
Concord, NH 03301

RE: Oppose HB 553, prohibiting contract renewals without written consent to consumers.

Dear Chairman Hunt:

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 want to express opposition to HB 553, which proposes an unnecessary and burdensome double-opt in consumer consent regime upon companies that offer New Hampshire residents contracts for services with automatic renewals. This would adversely impact New Hampshire consumers and the businesses that serve them by essentially preventing automatic renewals and the convenience they provide.

Our member companies already obtain affirmative customer consent for automatic renewals and other material terms and conditions. This is done in a clear and conspicuous way at the time the customer signs up for the service. This gives customers the option to conveniently continue the service without the need to take further action unless they want to make changes, upgrades or to terminate.

However, under HB 553, companies would be required to obtain consumer acceptance a second time, in writing, at least 30 days before an additional term of service expires. This, frankly, defeats the purpose of signing up for automatic renewals. Consumers want hassle-free services that do not require them to take action at the end of each term. In all likelihood, this bill would confuse and frustrate consumers that signed up for services to automatically renew. However, if they overlook, delete, identify as spam, or find they are too busy to respond to a second opt-in request in a timely way, they could be subject to irritating disruptions or cancellations of services

and end up being charged with reactivation fees. This could cause serious problems for users of services such as electricity, cable, and other subscriptions.

In addition, keeping up with the various opt-ins is likely to be incredibly burdensome, especially for smaller, local businesses. These businesses would be forced to implement and maintain a costly and unique system that would apply only to companies located in the Granite State or those that transact with state residents. New Hampshire's small and medium sized companies would be hit the hardest if required to change their business practices, which may prove difficult for companies that already may be struggling to stay financially viable in these particularly challenging financial times.

Further, the bill would place New Hampshire businesses at a competitive disadvantage with bordering states like Maine and Massachusetts, which do not subject companies to similar mandates. It would incentivize companies to consider relocating, possibly cause an elimination or reduction of services offered to New Hampshire residents, and could divert potential new businesses away from New Hampshire.

In summary, the undersigned associations believe the bill is unnecessary, burdensome, imposes inconvenience and costs on small and medium sized businesses and annoys customers with increased communications and potential price increases of ever-more-popular and convenient automatic renewal services.

Please feel free to contact Tammy Cota, Executive Director of the Internet Coalition at 802-279-3534 or tammy@theinternetcoalition.com with questions or if you would like to discuss these issues in more detail.

                                    Sincerely,

                                    Internet Coalition
                                    Entertainment Software Associaton
                                    Internet Association
                                    MPA, the Association of Magazine Media
                                    State Privacy and Security Coalition
                                    TechNet

cc: House Commerce and Consumer Affairs Committee members
    Rep. Benjamin Baroody