STATEMENT TO

[Second Reprint] ASSEMBLY, No. 3892

with Senate Floor Amendments (Proposed by Senator JOHNSON)

ADOPTED: DECEMBER 11, 2023

Assembly Bill No. 3892 (2R) requires an online option for the cancellation of health club services subscriptions entered into online and provides additional options for canceling health club services contracts under certain circumstances.

These Senate amendments clarify that a subscription service provider is required to provide a consumer with an online option to initiate the termination of the subscription service entered into online in accordance with the established billing terms and conditions of the agreement. In addition, the Senate amendments provide that the direct link or button provided to the consumer to initiate termination of the subscription service is to be accessible through: (1) a customer account or profile on the subscription service provider's internet website, or the user settings on a consumer's smartphone or tablet; or (2) a termination email formatted and provided by the subscription service provider that a consumer can email to the subscription service provider without being required to provide any additional information. The Senate amendments clarify that if a consumer chooses to cancel a health club services contract by mail within three days of entering into the contract, as allowable under current law, the cancellation letter must arrive within three days of entering into the contract. The Senate amendments clarify that if a consumer chooses to cancel a health club services contract by telephone within three days of entering into the contract, the consumer is to call the health club facility location where the consumer entered into the contract. Finally, the Senate amendments make certain technical and clarifying changes.