



S. 3386

# One of the United States

AT THE SECOND SESSION

Began and held at the City of Washington on 11 day.

## An Act

To protect consumers from certain aggressive sales tactics on the Internet.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Restore Online Shoppers' Confidence Act".

### SEC. 2. FINDINGS; DECLARATION.

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- (1) The Internet has become an important part of commerce in the United States. Over billions of dollars in retail sales every year. Over millions of consumers have now either made an online purchase or an online reservation.
  - (2) Consumer confidence is essential to the growth of online commerce. To correct its development and replace the Internet must provide consumers with clear, accurate information and one another for consumers business.
  - (3) An investigation by the Senate Committee on Commerce, Science and Technology found that the aggressive sales tactics many companies use against their online customers have undermined consumer confidence in the Internet and thereby harmed the
  - (4) The Committee showed that, in exchange for "bonuses" and other payments, some of the most reputable online retailers and websites shared customer billing information including credit card and account numbers with third party sellers through a process known as "passing" or "leaking" data. These third party sellers in turn used aggressive, misleading sales tactics to charge millions of American consumers for membership clubs the consumers did not want.
  - (5) Third party sellers charged millions of consumers as they were in the process of completing their initial transactions on hundreds of websites. These third party "post-transactions" were not part of the initial purchase, rather than a new transaction with a new seller.
  - (6) Third party sellers charged millions of consumers for membership clubs without ever obtaining consumers' billing information, including their credit or debit card information, directly from the consumers. Because third party sellers

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**SEC. 4. NEGATIVE OPTION MARKETING ON THE INTERNET.**

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**SEC. 5. ENFORCEMENT BY FEDERAL TRADE COMMISSION.**

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**SEC. 6. ENFORCEMENT BY STATE ATTORNEYS GENERAL.**

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