

New York City Department of Consumer and Worker Protection

Notice of Public Hearing and Opportunity to Comment on Proposed Rules

What are we proposing? The Department of Consumer and Worker Protection (“DCWP” or “Department”) is proposing to add rules to ensure that consumers can easily cancel subscriptions and are not subject to deceptive and unconscionable trade practices relating to the cancellation of subscriptions.

When and where is the hearing? DCWP will hold a public hearing on the proposed rule. The public hearing will take place at 11:00 AM on May 8, 2026. The public hearing will be accessible by phone and videoconference.

- To participate in the public hearing via phone, please dial +1 646-893-7101
 - Phone Conference ID: 554 484 200#
- To participate in the public hearing via videoconference, please follow the online link:
 - Meeting link: <https://tinyurl.com/23kdh7e8>
 - Meeting ID: 239 932 797 661 52
 - Passcode: J7sy3ku2

What if I need assistance to participate in the hearing? You must tell DCWP’s External Affairs division if you need a reasonable accommodation of a disability at the hearing. You must tell us if you need a sign language interpreter. You may tell us by email at Rulecomments@dcwp.nyc.gov. Advance notice is requested to allow sufficient time to arrange the accommodation. Please tell us by **May 1, 2026**.

How do I comment on the proposed rules? Anyone can comment on the proposed rules by:

- **Website.** You can submit comments to DCWP through the NYC rules website at <http://rules.cityofnewyork.us>.
- **Email.** You can email comments to Rulecomments@dcwp.nyc.gov.
- **By speaking at the hearing.** Anyone who wants to comment on the proposed rule at the public hearing must sign up to speak. You can sign up before the hearing by email at Rulecomments@dcwp.nyc.gov. You can also sign up on the phone or videoconference before the hearing begins at 11:00 AM on May 8, 2026. You can speak for up to three minutes. Please note that the hearing is for accepting oral testimony only and is not held in a “Question and Answer” format.

Is there a deadline to submit comments? Yes. You must submit any comments to the proposed rule on or before **May 8, 2026**.

Can I review the comments made on the proposed rules? You can review the comments made online on the proposed rules by going to the website at <http://rules.cityofnewyork.us/>. A few days after the comment deadline, all comments received by DCWP on the proposed rule will be made available to the public online at <http://www1.nyc.gov/site/dca/about/public-hearings-comments.page>.

What authorizes DCWP to make this rule? Sections 1043, 2203(f), and (h)(1) of the New York City Charter, and 20-702 of the New York City Administrative Code authorize DCWP to make these proposed rules. The proposed rule was not included in the agency FY 2026 regulatory agenda as it was not anticipated at the time of publication.

Where can I find DCWP's rules? The Department's rules are in title 6 of the Rules of the City of New York.

What laws govern the rulemaking process? DCWP must meet the requirements of section 1043 of the City Charter when creating or changing rules. This notice is made according to the requirements of section 1043 of the City Charter.

Statement of Basis and Purpose of Proposed Rule

The Department of Consumer and Worker Protection (“DCWP” or “Department”) is proposing to add rules to ensure that consumers can easily cancel subscriptions and to protect consumers from deceptive and unconscionable trade practices relating to subscription offers. The right of a consumer to easily cancel subscriptions is often referred to as “Click to Cancel.”

Specifically, the Department is proposing to add a new rule to outline required disclosures and rights when purchasing, enrolling, subscribing or when cancelling an automatic renewal or continuous service offer (commonly referred to as a subscription). This proposed rule would apply to a subscription for any type of goods or services that meets the definitions of automatic renewal or continuous service offer. This proposed rule would also make violators liable for restitution, as well as civil penalties.

Section 20-700 of Title 20 of the New York City Administrative Code prohibits deceptive or unconscionable trade practices in the sale of consumer goods or services. Failing to offer clear, conspicuous, and streamlined methods for the cancellation of an automatic renewal or continuous service offer constitutes a deceptive and unconscionable trade practice. Failing to clearly offer an easy method of cancellation deceives customers by omitting a material fact relating to the service, and by failing to disclose all conditions of the subscription.¹ Failing to provide an easy way to cancel a subscription is also an unconscionable trade practice because it forces customers to purchase services they no longer want, requiring consumers to jeopardize more money than was immediately at issue in the transaction.²

The Department received more than 100 complaints from consumers related to the difficulty of cancelling subscriptions in 2025 alone. On January 5, 2026, The Mayor issued Executive Order No. 10 (“EO 10”), which requires the Department to “prioritize monitoring, investigating, and taking enforcement action against . . . subscription-related practices . . . that deceive or mislead consumers.” EO 10 also directs DCWP to “take appropriate actions to combat subscription tricks and traps, including the promulgation of rules pursuant to its authority under Chapters 2, 4 and 5 of Title 20 of the Administrative Code”

¹ See 20-701 (definition of deceptive trade practice).

² See 20-701 (definition of unconscionable trade practice).

The importance of regulation of subscription offers has also been recognized by the federal and state governments. For example, the Federal Trade Commission (“FTC”) has succeeded in securing agreements from companies to offer Click to Cancel through enforcement actions.³ Similarly, on May 30, 2025, the New York Attorney General’s office announced a settlement with Equinox Group LLC for \$600,000 relating to the difficulty consumers faced canceling their memberships with the health club.⁴

New York State has at least two laws directly related to Click to Cancel:

1. First, New York State law requires that health clubs accept notice of cancellation of a membership through a website if the health club allows for a contract to be entered through a website.⁵
2. Second, New York State law requires that any business making an automatic renewal or continuous service offer:
 - clearly and conspicuously present terms and conditions of the offer,
 - receive affirmative consent to the offer, and
 - provide the consumer with a mechanism to cancel that is as easy to use as the mechanism offered for consent to the offer.⁶

Apart from New York, several states, including Utah, Idaho, California, Massachusetts, Georgia, Minnesota, Colorado, Illinois, and Arkansas have passed laws requiring that consumers have the right to Click to Cancel subscriptions.⁷

This proposed rule would be consistent with the approach codified in New York State law.

Sections 1043, 2203(f), and (h)(1) of the New York City Charter, and sections 20-702 and 20-703 of the New York City Administrative Code authorize The Department of Consumer and Worker Protection to make these proposed rules.

New material is underlined.

[Deleted material is in brackets.]

³ See *FTC v. AdoreMe, Inc.*, No. 1:17-cv-09083 (S.D.N.Y. 2017) (claims brought under the FTC Act resolved under a stipulated order requiring defendants to provide consumers with a “simple mechanism to cancel” goods and services), <https://www.ftc.gov/legal-library/browse/cases-proceedings/162-3153-adoreme-inc>; *FTC v. Bridge It, Inc.*, No. 1:23-cv-09651 (S.D.N.Y. 2023) (claims brought under the FTC Act resolved under a stipulated order requiring defendants to provide consumers with a simple mechanism to cancel recurring charges), <https://www.ftc.gov/legal-library/browse/cases-proceedings/2223051-bridge-it-inc-ftc-v-brigit>.

⁴ <https://ag.ny.gov/press-release/2025/attorney-general-james-secures-600000-fitness-company-equinox-its-hard-cancel>.

⁵ See General Business Law (“GBL”) § 624(4)(d).

⁶ GBL § 527-a(1)(d).

⁷ See Utah Code Title 13, Chapter 70, Part 1, Sections 101-103; Idaho Code Chapter 6, Title 48, Section 48-603G; California Business and Professions Code Section 17602; Massachusetts 940 CMR 38.00; Georgia Code Title 10, Chapter 1, Article 15, Part 8, Section 10-1-439.8; Minnesota Statutes Trade Regulations, Consumer Protection, Chapter 324-341, Section 325G.59; Colorado revised statutes 6-1-732; 815 ILCS 505/2B, Chapter 121 1/2, Part 262B; Arkansas Code Title 4, Chapter 86, Subchapter 1, Section 4-86-112.

“Shall” and “must” denote mandatory requirements and may be used interchangeably in the rules of this department, unless otherwise specified or unless the context clearly indicates otherwise.

Proposed Rule Amendments

Section 1. A new Part 8 of Subchapter A of Chapter 5 of Title 6 of the Rules of the City of New York is proposed to read as follows:

Part 8: Click to Cancel

§ 5-110 Definitions

As used in this part, the following terms have the following meanings:

Automatic Renewal. The term “Automatic renewal” means a plan or arrangement in which a paid subscription or purchasing agreement is automatically renewed at the end of a definite term for a subsequent term.

Continuous Service. The term “Continuous service” means a plan or arrangement in which a subscription or purchasing agreement continues until the consumer cancels the service.

Person. “Person” has the same meaning as set forth in § 20-102 of the Administrative Code.

§ 5-110.1 Unconscionable and Deceptive Trade Practices Relating to Automatic Renewal and Continuous Service Offers.

a. It is a deceptive and unconscionable trade practice for any person to offer or provide an automatic renewal or continuous service to a consumer except in accordance with the requirements of this section.

b. A person making an automatic renewal or continuous service offer to a consumer must present to the consumer, in a clear and conspicuous manner, the material terms of any automatic renewal offer or continuous service offer, including but not limited to, a description of the product or service subject to renewal, the amount of the costs that will be charged, the frequency of charges, the deadline by date or frequency by which the consumer must act to prevent or stop further charges, and cancellation mechanisms described in this subchapter, before consent to the offer or billing information has been requested and in visual proximity, or in the case of an offer conveyed by voice, in temporal proximity, to the request for consent to the offer. If the offer also includes a free gift or trial, or the price is temporary, the offer must include a clear and conspicuous explanation of how and when the price will change and the price or prices that will subsequently be charged to the consumer.

c. A person making an automatic renewal or continuous service offer to a consumer must provide the consumer with the option to cancel at any time using a simple cancellation mechanism that is as easy to use as the mechanism that the consumer used to provide consent and that is through the same medium that the consumer used to provide consent.

d. A person making an automatic renewal or continuous service offer to a consumer must provide the consumer with the option to cancel, at any time through all mediums by which the business allows a consumer to provide affirmative consent to, the automatic renewal, continuous service offer, or any price increase. Provided further that, where consent was obtained in-person, in addition to offering cancellation, where practical via an in-person method similar to that the consumer used to consent, the person must offer cancellation through an online mechanism, such as a website or email.

e. A person making an automatic renewal or continuous service offer to a consumer must not impose unreasonable or unlawful conditions upon, refuse to acknowledge, obstruct or unreasonably delay cancellation requests or attempts to request cancellation by a consumer. Unreasonable or unlawful conditions include, but are not limited to:

(1) hanging up on consumers who call to cancel, obscuring or providing false information about how to cancel, misrepresenting the consequences or costs of cancellation, or misrepresenting the reasons for delays in processing consumers' cancellation requests; and

(2) upon receiving a request to cancel, presenting the consumer with a discounted offer, retention benefit or information regarding the effect of cancellation while imposing unreasonable or unlawful conditions upon the consumer's ability to cancel, refusing to acknowledge, obstructing or unreasonably delaying the cancellation requested.

f. In any case in which a person sends any goods, wares, merchandise, or products to a consumer, under a continuous service agreement or automatic renewal of a purchase, without first obtaining the consumer's affirmative consent, the goods, wares, merchandise, or products shall for all purposes be deemed an unconditional gift to the consumer, who may use or dispose of the same in any manner such consumer sees fit without any obligation whatsoever on the consumer's part to the person, including, but not limited to, bearing the cost of, or responsibility for, shipping any goods, wares, merchandise, or products to the person.

g. A person must notify a consumer of an automatic renewal or continuous service charge for an automatic renewal or continuous service offer with an initial paid term of one year or longer, provided that such automatic renewal or continuous service renews for a paid term of six months or longer, at least fifteen days before, but not more than forty-five days before, the cancellation deadline for such automatic renewal in the manner selected by the consumer, including text, email, app notification or any other notification channel offered by the business. Such notice must include instructions on how to cancel such renewal charge.

h. A person must provide a consumer who has accepted an automatic renewal or continuous service offer with a clear and conspicuous notice of any material change to the terms of the automatic renewal or continuous service offer, including any price increases, at least five

business days prior, but no more than thirty days prior, to the date of the change, in the same manner as required by subdivision g of this section; or

i. A person shall not fail to notify a consumer of an automatic renewal or continuous service charge for an automatic renewal or continuous service offer if the automatic renewal or continuous service offer includes a free gift or trial for a period of more than a month, followed by an upcoming automatic renewal or continuous service charge, at least three days before but not more than twenty-one days before the cancellation deadline for the first chargeable period in the manner selected by the consumer, including text, email, app notification or any other notification channel offered by the business. Such notice must include instructions on how to cancel such renewal charge.

§ 5-110.2 Restitution.

If a person is found to have violated any provision of this part, such person is liable for the monetary amount charged for the automatic renewal or continuous service offer after the consumer's first attempt at cancellation.

§ 5-110.3 Exemptions.

The following are exempt from the requirements of this part:

a. Any service provided by a business or its affiliate where either the business or its affiliate is doing business pursuant to a franchise issued by a political subdivision of New York State;

b. Any entity, or subsidiary or affiliate thereof, regulated by the Department of Financial Services;

c. Security system alarm operators licensed by New York State Department of State;

d. Banks, bank holding companies, and their subsidiaries and affiliates; credit unions; and other financial institutions licensed under state or federal law; and

e. Sellers and administrators of a service contract, as defined pursuant to section seven thousand nine hundred two of the Insurance Law.

Section 2. The chart in section 6-47 of chapter 6 of Title 6 of the Rules of the City of New York is amended to add the following row in alphanumerical order as follows:

Citation	Violation Description	First Violation	First Default	Second Violation	Second Default	Third and Subsequent Violation	Third and Subsequent Default
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<u>6 RCNY</u> <u>§ 5-110.1</u>	<u>Unconscionable and</u> <u>Deceptive Trade</u> <u>Practices Relating to</u> <u>Automatic Renewal and</u> <u>Continuous Service</u> <u>Offers</u>	<u>\$525</u>	<u>\$525</u>	<u>\$1,050</u>	<u>\$1,050</u>	<u>\$3,500</u>	<u>\$3,500</u>
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**NEW YORK CITY LAW DEPARTMENT
DIVISION OF LEGAL COUNSEL
100 CHURCH STREET
NEW YORK, NY 10007
212-356-4028**

**CERTIFICATION PURSUANT TO
CHARTER §1043(d)**

RULE TITLE: Rules Relating to Cancellation of Subscriptions

REFERENCE NUMBER: 2026 RG 020

RULEMAKING AGENCY: Department of Consumer and Worker Protection

I certify that this office has reviewed the above-referenced proposed rule as required by section 1043(d) of the New York City Charter, and that the above-referenced proposed rule:

- (i) is drafted so as to accomplish the purpose of the authorizing provisions of law;
- (ii) is not in conflict with other applicable rules;
- (iii) to the extent practicable and appropriate, is narrowly drawn to achieve its stated purpose; and
- (iv) to the extent practicable and appropriate, contains a statement of basis and purpose that provides a clear explanation of the rule and the requirements imposed by the rule.

/s/ STEVEN GOULDEN
Senior Counsel

Date: March 25, 2026

**NEW YORK CITY MAYOR'S OFFICE OF OPERATIONS
253 BROADWAY, 10th FLOOR
NEW YORK, NY 10007
212-788-1400**

**CERTIFICATION / ANALYSIS
PURSUANT TO CHARTER SECTION 1043(d)**

RULE TITLE: Rules Relating to Cancellation of Subscriptions

REFERENCE NUMBER: DCWP-72

RULEMAKING AGENCY: Department of Consumer and Worker Protection

I certify that this office has analyzed the proposed rule referenced above as required by Section 1043(d) of the New York City Charter, and that the proposed rule referenced above:

- (i) Is understandable and written in plain language for the discrete regulated community or communities;
- (ii) Minimizes compliance costs for the discrete regulated community or communities consistent with achieving the stated purpose of the rule; and
- (iii) Does not provide a cure period because a cure period is not practicable under the circumstances.

/s/ Francisco X. Navarro
Mayor's Office of Operations

March 25, 2026
Date