**Testimony of Samuel Levine**

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Before the Wyoming Select Committee on Blockchain, Financial Technology and Digital Innovation Technology

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Good afternoon, Chairman Rothfuss, Chairman Singh, and members of the Committee.

My name is Sam Levine, and I serve as a Senior Fellow at Berkeley Law’s Center for Consumer Law and Economic Justice. Until earlier this year, I directed the Federal Trade Commission’s Bureau of Consumer Protection, where I led the development of the federal Click-to-Cancel Rule.

John Breyault has already provided a strong overview of the Rule’s key requirements – prohibiting deceptive claims around subscription services and requiring that cancellation be as simple as enrollment. John also detailed why this issue is so important to consumers’ pocketbooks, with one study estimating that more than 4 in 10 Americans are paying for subscriptions they don’t want.[[1]](#footnote-2) I’ll focus instead on what Wyoming can do to ensure your citizens are not wasting their time and money on unwanted subscriptions.

The federal Click-to-Cancel Rule is a vital first step, but it is a floor, not a ceiling. Indeed, the FTC explicitly stated that the Rule does not preempt stronger protections under state law.[[2]](#footnote-3) Given the size of this problem, the limits of federal enforcement, and the direct impact on the wallets of Wyoming consumers, I respectfully urge you to go further in protecting consumers’ time and money.

Let me explain why I believe state action is both necessary and urgent.

First, the federal rule alone will not eliminate the scourge of subscription traps. The FTC receives tens of thousands of complaints each year about subscription scams.[[3]](#footnote-4) But with limited resources, the agency cannot investigate or sue every company that violates the law, and typically focuses on larger firms with nationwide impact. A Wyoming statute, enforceable in Wyoming courts, could empower state authorities and individual consumers to act swiftly and directly – providing an essential layer of protection that the FTC cannot offer on its own, especially for subscription scams that target Wyoming citizens.

Second, there are hurdles to enforcement of the federal rule. Though it was slated to take effect yesterday, the Commission recently extended the compliance deadline by two months.[[4]](#footnote-5) At the same time, industry groups have filed suit to block implementation, arguing that the FTC overstepped its authority. While the Trump Administration is defending the rule vigorously[[5]](#footnote-6) – and I am confident in its ultimate success – ongoing litigation may further delay or limit enforcement. Wyoming consumers should not have to wait on Washington D.C. to assert basic rights. This legislature has broad authority to act, far broader the FTC, and can pass a durable rule that protects Wyoming consumers *now.*

That brings me to the final and most important point. Given Wyoming’s broad authority, the state can pass additional measures to protect its citizens’ wallets. I would highlight three proposals in particular.

**Ensuring Reminders Before Charges or Renewals**

First, Wyoming can ensure its citizens get reminders before they get charged or before their subscriptions get renewed. A bipartisan coalition of state Attorneys General,[[6]](#footnote-7) along with consumer law experts like Professor Dee Pridgen of the University of Wyoming,[[7]](#footnote-8) urged the FTC to require regular reminders, but the agency found that it would need to do additional rulemaking to include such a provision. Wyoming, however, has broader authority to act. State legislation can require reminders before each time a consumer is charged, or before a subscription is automatically renewed – ensuring that no Wyoming consumer faces surprise charges.

**Extending Protections Across All Markets**  
Second, Wyoming can extend protections across all markets. The FTC’s authority generally does not extend to certain industries – such as common carriers, banks, and nonprofits. Yet these sectors are far from immune to abusive subscription practices. Wyoming can make it crystal clear: if you bill Wyoming residents on a recurring basis, you must make cancellation as easy as enrollment – no exceptions. This will level the playing field for responsible businesses, while preventing bad actors from exploiting coverage gaps.

**Strengthening Enforcement Tools**

Finally, Wyoming can help ensure vigorous enforcement and broad compliance. Once the federal Click-to-Cancel Rule takes effect, the FTC can go to federal court to seek consumer refunds, but it can be difficult for the agency to secure civil penalties against violators.[[8]](#footnote-9) In addition, the federal rule does not include a private right of action.

Wyoming can close these enforcement gaps by giving injured consumers the right to sue, and by giving the Wyoming Attorney General the authority to seek civil penalties and injunctive relief when companies violate the law. These tools would deter misconduct and provide real consequences for bad actors who target Wyoming consumers. They would be a vital complement to federal enforcement.

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To conclude, the FTC’s rule lays a strong foundation, but there is much Wyoming can do to ensure its citizens enjoy the strongest protections in the nation. Importantly, this initiative would protect Wyoming’s small businesses, too – those who offer subscriptions honestly will finally be able to compete on a level playing field, and those who rely subscriptions will be able to avoid unwanted charges. This is truly a win-win policy initiative, which helps explain the bipartisan support it has garnered.

Thank you for the opportunity to speak today. I welcome your questions and stand ready to support your efforts to draft strong, effective legislation that puts Wyoming consumers first.

1. C+R Research, “Subscription Service Statistics and Costs,” (July 26, 2024), available at

   [https://www.crresearch.com/blog/subscription-service-statistics-and-costs/](https://www.crresearch.com/blog/subscription-service-statistics-and-costs/%20) [↑](#footnote-ref-2)
2. Federal Trade Commission, Negative Option Rule, 16 CFR Part 425, § 425.7, available at <https://www.federalregister.gov/documents/2024/11/15/2024-25534/negative-option-rule#sectno-reference-425.8> [↑](#footnote-ref-3)
3. *Id.* at 90477. [↑](#footnote-ref-4)
4. Federal Trade Commission, Press Release, FTC Votes on Negative Option Rule Deadline (May 9, 2025), available at https://www.ftc.gov/news-events/news/press-releases/2025/05/ftc-votes-negative-option-rule-deadline [↑](#footnote-ref-5)
5. *See* BakerHostetler, FTC Files Brief Fully Supporting Its Click-to-Cancel Rule (Mar. 18, 2025), *available a*https://www.bakerlaw.com/insights/ftc-files-brief-fully-supporting-its-click-to-cancel-rule/ [↑](#footnote-ref-6)
6. *See* Joint comment from Attorneys General for the States of Alabama, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Jersey, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Vermont, Washington, and Wisconsin, FTC-2023-0033-0886. [↑](#footnote-ref-7)
7. *See* Joint comment from Professor Kaitlin Caruso (U. of Maine School of Law), Professor Jeff Sovern (St. John's U. School of Law), Professor Dee Pridgen (U. of Wyoming College of Law), Professor Chrystin Ondersma (Rutgers Law School), Professor Vijay Raghavan (Brooklyn Law School), Professor David Vladeck (Georgetown U. Law Center), Professor Edward Janger (Brooklyn Law School), and Professor Susan Block-Lieb (Fordham U. School of Law), FTC-2023-0033-0861. [↑](#footnote-ref-8)
8. *See* [Collaboration Act Report: Statement of Commissioner Slaughter](https://www.ftc.gov/system/files/ftc_gov/pdf/p201200collaborationrptrksstmt.pdf) [↑](#footnote-ref-9)