

Automatic Renewal Laws in All 50 States – Index

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[Alaska](#)^{*†}

[Arizona](#)^{*}

[Arkansas](#)

[California](#)[†]

[Colorado](#)

[Connecticut](#)[†]

[Delaware](#)^{*}

[District of Columbia](#)^{*}

[Florida](#)[†]

[Georgia](#)

[Hawaii](#)

[Idaho](#)^{*}

[Illinois](#)

[Indiana](#)

[Iowa](#)

[Kansas](#)^{*}

[Kentucky](#)^{*}

[Louisiana](#)

[Maine](#)^{*}

[Maryland](#)

[Massachusetts](#)^{*}

[Michigan](#)^{*}

[Minnesota](#)^{*†}

[Mississippi](#)^{*}

[Missouri](#)^{*}

[Montana](#)

[Nebraska](#)^{*}

[Nevada](#)

[New Hampshire](#)

[New Jersey](#)^{*†}

[New Mexico](#)

[New York](#)[†]

[North Carolina](#)

[North Dakota](#)^{*}

[Ohio](#)^{*}

[Oklahoma](#)^{*}

[Oregon](#)

[Pennsylvania](#)^{*}

[Rhode Island](#)

[South Carolina](#)

[South Dakota](#)

[Tennessee](#)

[Texas](#)

[Utah](#)

[Vermont](#)^{*†}

[Virginia](#)^{*†}

[Washington](#)^{*†}

[West Virginia](#)^{*}

[Wisconsin](#)

[Wyoming](#)^{*†}

States marked with an asterisk (*) have no current automatic renewal law.

States marked with an obelisk (†) are currently considering proposed automatic renewal law(s).

NOTE: This survey does not include state laws relating to restrictions around automatic renewals of real property.

Automatic Renewal Laws in All 50 States

Alabama

No current law

Proposed bills

HB405 - 1 by Representative Wood;

STATUS: First Read: 3/14/2017.

[Full bill text](#)

Overview: The bill relates to service contracts and aims to:

- (1) Provide for notice of automatic renewal provisions in service contracts.
- (2) Provide for notice to a consumer prior to the automatic renewal of a service contract.
- (3) Provide for exemptions.
- (4) Provide that failure to provide notice shall render the automatic renewal provision of a contract void and unenforceable.

If passed, the bill would require that automatic renewal provisions:

- (1) "Disclose the automatic renewal provision clearly and conspicuously in not less than 14-point bold type in the contract or contract offer."
- (2) If pursuant to a service contract of 12 months or more that automatically renew for a specified period of more than one month, shall "provide the customer with written or electronic notice" of the automatic renewal provision (no less than 30 days, but no more than 60 days before deadline).
- (3) Must disclose clearly and conspicuously:
 - (a) That unless the customer cancels the contract, the contract shall automatically renew.
 - (b) How the consumer may obtain details of the automatic renewal provision and cancellation procedure, including contact information of seller (telephone number or address)

Alaska

No current law

Proposed bills

SB 103.

STATUS: Under review with House committees.

[Full bill text](#)

Overview: This proposed Act relates to automatic renewals of contracts for home security products or services; and relating to the Alaska Unfair Trade Practices and Consumer Protection Act.

Arizona

No current law

Proposed bills

None

Arkansas

Code Section

[Arkansas Code § 4-86-109 \(2014\)](#)

Contracts Applicable to Law



Written leases of personal property with automatic renewal provisions at the end of the initial lease term.

Requirements

For a lease of personal property for more than one year, the inclusion of an automatic renewal provision requires the lessor to provide written notice of the automatic renewal at least 30 days before the date of cancellation of the renewal is due by the lessee.

Definition of “Clear and Conspicuous”

Not defined.

Penalty for Failure to Comply

Leases of personal property for under one year.

Proposed bills

None

California

Code Section

California Business & Professional Code Section 17601-17606, as amended, with changes effective July 1, 2018

Contracts Applicable to Law

Any plans or arrangements in which a paid subscription or purchasing agreement is automatically renewed at the end of a definite term for a subsequent term (Section 17601(a)).

Requirements

The business making the automatic renewal or continuous service offer must:

- (1) Present the automatic renewal terms in a clear and conspicuous manner before the purchasing agreement is fulfilled 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, the offer must include a clear and conspicuous explanation of the price that will be charged after the trial ends or the manner in which the subscription or purchasing agreement pricing will change upon conclusion of the trial;
- (2) Obtain consumer's affirmative consent to the agreement with the automatic renewal terms (including whether the offer is made at a promotional or discounted price for a limited period of time), cancellation policy, and how to cancel *before charging* the consumer's credit card or consumer's account with a third party;
- (3) Provide an acknowledgement that includes the automatic renewal or service offer terms, cancellation policy and information regarding how to cancel in a manner that is capable of being retained by the consumer. If the offer includes a free gift or trial, the business must also disclose in the acknowledgement how to cancel, and allow the consumer to cancel *before the consumer pays for the goods or services*;
- (4) Provide a toll-free telephone number, e-mail address, a postal address if the business directly bills the consumer, or another cost-effective, timely, and easy-to-use mechanism for cancellation;
- (5) Allow the consumer who accepts an automatic renewal or continuous service offer online to terminate *exclusively online* (a termination email template provided by the business is acceptable);
- (6) Provide the consumer notice of any material change to the terms of the automatic renewal or continuous service that has been accepted by a consumer via a clear and conspicuous notice of the material change, as well as information regarding how to cancel in a manner that is capable of being retained by the consumer.

Definition of “Clear and Conspicuous”

Clear and conspicuous means:

- In larger type than the surrounding text, or in contrasting type, font or color to the surrounding text of the same size; or set off from the surrounding text of the same size by symbols or other marks in a manner that clearly calls attention to the language.
- If it's an audio disclosure, clear and conspicuous means: in a volume and cadence sufficient to be readily audible and understandable.

Penalty for Failure to Comply

For failure to obtain affirmative consent from the consumer, the "goods, wares, merchandise, or products shall for all purposes be deemed an unconditional gift to the consumer." (Section 17603).

A violation of this article shall not be a crime; however, all civil remedies that apply to a violation of this article may be employed. (Section 17604). If a business complies with the provisions of this article in good faith, it shall not be subject to civil remedies. (Section 17604(b)).

Proposed bills

Senate Bill No. 313 by Senator Hertzberg.

STATUS: Introduced February 13, 2017.

[Full bill text](#)

Overview: This Act would amend, repeal and add Section 17602 of the Business and Professions code, relating to advertising.

The bill, commencing on July 1, 2018, would require a business that makes an automatic renewal offer or continuous service offer that includes a free gift or trial, including an introductory or new customer offer to include in the offer a clear and conspicuous explanation of the price that will be charged after the trial ends or the manner in which the subscription or purchasing agreement pricing will change upon conclusion of the trial. The bill would also require a consumer who accepts an automatic renewal offer online to be allowed to terminate the automatic renewal or continuous service exclusively, as specified. (This may include a termination email formatted and provided by the business that a consumer can send to the business without additional information).

If there is a material change in the terms of the automatic renewal, the business shall provide the consumer with a clear and conspicuous notice of the material change and provide information how to cancel in a manner that is capable of being retained by the consumer.

Colorado

Code Section

Colorado Revenue Statute Annual Subsection 6-1-704

Contracts Applicable to Law

Health club services only — requires three days to rescind.

See also "negative option plans" which are restricted.

Requirements

Any advertisement or sale of a membership of a health club must:

- 
- (1) Allow the buyer of the membership to rescind the membership contract within three business days after receipt by the buyer of a copy of the contract.
 - (2) Provide the buyer conspicuous notice of the buyer's right to rescind the sale by either telegram, mail or hand delivery.
 - (3) Allow the buyer, or the estate of the buyer, to cancel the membership contract in five separate circumstances.

Lifetime or perpetual memberships are not permitted.

Definition of “Clear and Conspicuous”

Not defined.

Penalty for Failure to Comply

None stated.

Proposed bills

None

Connecticut

Code Section

[CT Gen Stat § 42-126b \(2013\)](#)

Contracts Applicable to Law

Any person, firm partnership, association or corporation that sells or offers to sell any products or services used primarily for personal, family or household purposes for a specified time pursuant to a written contract containing automatic renewal for a period of more than 31 days at the end of the period of time.

Requirements

Seller must provide the recipient of such products or services with a clear and conspicuous written notice that the recipient may cancel such contract.

For contracts for over 180 days the clear and conspicuous **written** notice must:

- (1) Include the procedure for such cancellation;
- (2) Be given at least 14 days but not more than 60 days prior to the earlier date of:
 - (a) the date upon which the contract will be renewed.
 - (b) the expiration of the time period for cancellation by the recipient.

Mailing of the written notice by U.S. mail satisfies the notice requirements. If a contract is entered into electronically or the consumer agrees to receive notice electronically, then the written notice may be transmitted by electronic mail.

For contracts under 180 days the clear and conspicuous **written** notice must:

- (1) State that the recipient of such products or services may cancel such contract and the procedure for such cancellation, provided the recipient shall not be required to exercise such right of cancellation more than 60 days prior to the expiration of the specified period of time.

Definition of “Clear and Conspicuous”

Not defined.

Penalty for Failure to Comply



If notice is not provided according to this section, then the products or services furnished to the recipient after the expiration of the period of time specified in the contract shall be deemed an unconditional gift.

Proposed bills

S.B. No 527 by Sen. Steve Cassano, 4th District.

STATUS: Referred to Joint Committee on General Law on 1/20/2017.

[Full bill text](#)

Overview: This Act would allow consumers to unsubscribe or opt out of online services.

The act proposes to amend the general statutes to allow Connecticut residents to "unsubscribe from or opt out of an online service and to prohibit the practice of 'call and cancel.'"

See also

Raised S.B. No. 822

STATUS: Referred to Joint Committee on General Law on 2/16/2017.

[Full bill text](#)

Overview: This Act stipulates that if a consumer who is 60 years of age or more dies during the term of a consumer contract or consumer lease, the consumer contract or lease shall be deemed terminated upon the consumer's death and any penalty provision contained within the contract or lease regarding early termination shall be unenforceable and unreasonable.

Delaware

Code Section

No current law

Proposed bills

None

District of Columbia

Code Section

No current law

Proposed bills

None

Florida

Code Section

Florida Statute Annual Section 501.165

Contracts Applicable to Law

Service contracts (relating to service, maintenance or repair) that are automatically renewed for a period of more than one month *if* the renewal causes the service contract to be in effect more than six months after the day of the initiation of the service contract.

Requirements

Seller must disclose the automatic renewal provision clearly and conspicuously in the contract or contract offer. If the contract is 12 months or more, and if it automatically renews for more than one month, then unless



consumer cancels the contract, the seller must provide the consumer with written or electronic notification of the automatic renewal provision. Notification shall be provided no less than 30 days and no more than 60 days before the cancellation deadline. Such notification shall disclose clearly and conspicuously:

1. That unless consumer cancels the contract will automatically renew.
2. Methods by which the consumer may obtain details of the automatic renewal provision and cancellation procedure, whether by contacting the seller at a specified telephone number or address, by referring to the contract or by any other method.

Definition of “Clear and Conspicuous”

None stated.

Penalty for Failure to Comply

Seller must refund the money (according to requirements below) as of the date on which the seller is notified.

Seller will not be in violation of this section if the seller demonstrates that as part of seller's routine business practice, the seller has established and implemented written procedures to comply with this section and enforces compliance with such procedures; any failure to comply is the result of error, and as part of seller's routine business practice, where an error has caused failure to comply, the unearned portion of the contract subject to the automatic renewal provision is refunded as of the date on which the seller is notified of the error. (Section 501.165 (2)(c)).

Proposed bills

SB 218 by Thurston.

STATUS: Indefinitely postponed and withdrawn from consideration; Died in Communications, Energy, and Public Utilities on 5/5/2017.

[Full bill text](#)

Overview: This bill pertains to cable and Video Service Agreements; requiring a service agreement to specify in the agreement whether such agreement will be automatically renewed under special circumstances, etc.

Georgia

Code Section

Georgia Code Annual Subsection 13-12-2.13-12-3

Contracts Applicable to Law

Service contracts with automatic renewal provisions for more than one month if the renewal means the service contract is in effect more than six months after the date of initiation.

Requirements

Must disclose the automatic renewal provision clearly and conspicuously in the contract or contract offer.

If the service contract is for a period of 12 months or more, and if it automatically renews for more than one month, then unless the consumer cancels the contract, the seller shall provide the consumer with written or electronic notification of the automatic renewal provision. Notice shall be provided to the consumer no less than 30 days or no more than 60 days before the cancellation deadline. Such notification shall disclose clearly and conspicuously:

1. That unless the consumer cancels the contract, the contract will automatically renew.
2. The methods by which the consumer may obtain details of the automatic renewal provision and cancellation procedure, including contacting the seller at a specified telephone number or address, referring to the contract, or any other method.

Definition of “Clear and Conspicuous”

None stated.

Penalty for Failure to Comply

A violation of this statute renders the automatic renewal provision of a contract void and unenforceable. (Section 13-12-5).

Hawaii

Code Section

Hawaii Revenue Statute Section 481-9.5

Contracts Applicable to Law

Service contracts for products or services pursuant to a contract that has a specified term of more than one month and an automatic renewal clause under which the contract will automatically renew for a specified term of more than one month unless consumer cancels the contract. (Section 481-9.5(b)).

Requirements

If the contract has a specified term of 12 months or more, and if the automatic renewal is for a term of more than 1 month, then seller must notify the consumer clearly and conspicuously:

1. That the contract will automatically renew unless the consumer cancels the contract.
2. How to cancel the contract.
3. The deadline by which the consumer shall respond to cancel the consumer contract and prevent automatic renewal.

Such notice must be sent no less than 30 days and no more than 60 days before the date upon which consumer must respond.

Electronic notice OK if transaction for sale was electronic or customer elects to receive electronic notice.

Definition of “Clear and Conspicuous”

Clearly and conspicuously" means in larger type than the surrounding text; in contrasting type, font, or color to the surrounding text of the same size; or set off from the surrounding text of the same size by symbols or other marks in a manner that clearly calls attention to the language. In the case of an audio disclosure, "clear and conspicuous" and "clearly and conspicuously" mean in a volume and cadence sufficient to be readily audible and understandable. (Section 481-9.5(f))

Penalty for Failure to Comply

Any person who violates this section or who knowingly fails to cancel an automatic renewal contract upon consumer request shall be deemed to have engaged in an unfair method of competition and unfair or deceptive act or practice in the conduct of any trade or commerce within the meaning of section 480-2. (Section 481-9.5(d))

Idaho

Code Section

No current law

Proposed bills

None

Illinois

Code Section

815 ILCS Section 601/10, 610/15, 610/20

Contracts Applicable to Law

Any contract for products or services where such contract automatically renews unless the consumer cancels the contract

Requirements

Contract must disclose the automatic renewal clause clearly and conspicuously in the contract, including the cancellation procedure.

If the contract has a specified term of 12 months or more and the automatic renewal is for a term of more than 1 month, then seller must notify the consumer in **writing**. Such written notice shall disclose clearly and conspicuously:

1. That unless the consumer cancels the contract it will automatically renew
2. Where the consumer can obtain details of the automatic renewal provision and cancellation procedure (for example, by contacting the business at a specified phone number or address or by referring to the contract).

Definition of “Clear and Conspicuous”

Not defined

Penalty for Failure to Comply

A violation of this act constitutes an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act.

Proposed bills

None

Indiana

Code Section

No current law

Proposed bills

None

Iowa

Code Section

No current law, however, the Iowa Attorney General has [enforced exceptions](#) under other Iowa statutes that provide consumers with a right to cancel:

Door to door sales, buying clubs, funeral services, social referral services, business opportunities, membership campground contracts, exercise clubs and time shares.

See also [Judgment against Time, Inc.](#) for its automatic renewal procedures, which allegedly resulted in consumers being charged for unwanted magazines.



Proposed bills

None

Kansas

Code Section

No current law

Proposed bills

None

Kentucky

Code Section

No current law

Proposed bills

None

Louisiana

Code Section

Louisiana Revenue Statute Section 9:2716

Contracts Applicable to Law

Any contract for products or services where such contract automatically renews unless the consumer cancels the contract.

Requirements

Seller must disclose clearly and conspicuously how to cancel the contract in the initial contract, contract offer, or with delivery of products or services.

Definition of “Clear and Conspicuous”

Not defined.

Penalty for Failure to Comply

Any contract automatically renewed in violation of this Section shall revert to a thirty day renewal contract in accordance with the same terms. (Section 2716 E).

Seller will not be in violation of this section if the seller demonstrates that as part of seller's routine business practice, the seller has established and implemented written procedures to comply with this section and enforces compliance with such procedures; any failure to comply is the result of error, and as part of seller's routine business practice, where an error has caused failure to comply, the seller provides a full refund or credit for all amounts billed or to be paid by the consumer from the date of the renewal until the date of the termination of the contract, or the date of the subsequent notice of renewal, whichever occurs first. (Section 2716 C (3)).

Proposed bills

None

Maine

Code Section

No current law

Proposed bills

None

Maryland

Code Section

2013 Maryland Code Section 14-12B-06

Contracts Applicable to Law

Health club services *only*

Requirements

(a) A health club services agreement may not contain an automatic renewal clause, unless the agreement provides for a renewal option for continued membership which must be accepted by the buyer.

(b) Cancellation. A buyer may cancel a health club services agreement within 3 business days after receipt of a copy of the agreement after notifying the health club in writing. Each contract for health club services shall conspicuously disclose under the heading "Notice of Consumer Rights": (1) seller's health club registration number with the Division; (2) a description of whether the seller is bonded and the amount, or an explanation of why not bonded; (3) the buyer's right to cancel as defined in this section; (4) the buyer's rights in the event of a disability or temporary closing. *See other disclosure requirements.*

Definition of "Clear and Conspicuous"

Not defined.

Penalty for Failure to Comply

None stated.

Proposed bills

None

Massachusetts

Code Section

No current law

Proposed bills

None

Michigan

Code Section

No current law

Proposed bills

None

Minnesota

Code Section

No current law

Proposed bills

SF 73 by Clausen and Latz.

STATUS: First read 1/11/2017; Referred to Commerce and Consumer Protection Finance and Policy.

[Full bill text](#)

Overview: This bill would regulate automatic renewal in consumer contracts. It applies to contracts with an original term of one year or more and the contract automatically renews for more than one month.

Requirements: If the contract contains an automatic renewal clause, the seller shall:

- (1) Clearly and conspicuously disclose to the consumer the automatic renewal clause and the procedure for canceling the automatic renewal at the time that the seller enters into the contract;
- (2) Give the consumer written notice of the automatic renewal clause and the procedure for canceling the automatic renewal no less than 30 days and no more than 60 days before the last date on which the consumer may cancel the automatic renewal.

Written Notice of automatic renewal must include:

- (a) that the contract will automatically renew if the consumer does not cancel;
- (b) the cancellation procedure; and
- (c) the dates during which the consumer may cancel the automatic renewal.

This written notice may be sent by mail, certified mail, or personal service, or by including a statement in an invoice in red ink or in boldfaced type large enough to be easily noticed. A consumer may cancel the automatic renewal of a contract at any time before the beginning of the automatic renewal period, at no cost to the consumer, by following the procedure set forth in the disclosure and notice provided by seller. If the seller fails to provide either the disclosure or the written notice required, the consumer may cancel the automatic renewal by any reasonable means at any time.

Mississippi

Code Section

No current law

Proposed bills

None

Missouri

Code Section

No current law

Proposed bills

None

Montana

Code Section

Administrative Rules of Montana 38.5.6004

Contracts Applicable to Law



Contracts for utility, transmission services, energy services, metered service, billing service or other involved in the sale of natural gas

Requirements

At least 60 days prior to the expiration date of the customer's service contract, the supplier must provide written notice to the customer of either:

- (a) the existence and operation of an automatic renewal provision present in the customer's contract; or
- (b) the need for the customer to affirmatively renew to retain service from the supplier at the end of the contract term.

If the service contract contains an automatic renewal provision, the supplier may not change the terms and conditions of the contract upon the renewal date unless the customer has been provided with written notice of the changes at least 60 days in advance of their effective date and of his or her right to change suppliers rather than renew the contract. With the written notice of contract changes, the supplier must provide the customer a letter of authorization approving the contract changes to return to the supplier. Without a signed letter of authorization, the supplier may not renew the contract.

Definition of "Clear and Conspicuous"

Not defined.

Penalty for Failure to Comply

N/A

Proposed bills

None

Nebraska

Code Section

No current law

Proposed bills

None

Nevada

Code Section

Nevada Revised Statutes Annotated 598.940 - 958

Contracts Applicable to Law

Dance Studio Contracts or Health Club Memberships only

Requirements

Any contract between a buyer and a dance studio or health club must specify the term of the membership may not include automatic renewal provisions. A buyer entering into a contract with a dance studio or health club may cancel a contract within 3 business days after he or she receives a copy of the contract by notifying the studio or club in writing.

Definition of "Clear and Conspicuous"

Not defined.

Penalty for Failure to Comply

Violation constitutes a deceptive practice

Proposed bills

None

New Hampshire

Code Section

RSA 358-I:5

Contracts Applicable to Law

Health Club Memberships only

Requirements

Buyers of prepaid memberships for health clubs may cancel memberships within 3 business days by notifying the health club in writing. Each prepaid contract shall contain in at least 10 point boldface type a statement in substantially the following form: "YOU MAY CANCEL THIS TRANSACTION IN WRITING ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION."

- Automatic renewal is prohibited for more than one month term; contract for health club services may not be for more than one year
- Any renewal must be accepted in writing by a buyer, and may not be renewed more than 90 days before the contract's expiration date.
- Buyers may cancel month-to-month memberships with 30 days written notice

Definition of "Clear and Conspicuous"

10 point boldface type (all caps)

Penalty for Failure to Comply

Violations are unfair or deceptive acts or practices within RSA 358-A:2

Proposed bills

None

New Jersey

Code Section

No current law

Proposed bills

Senate No. 1837 by Bob Smith and Linda Greenstein.

STATUS: Reported from Senate Committee, 2nd Reading 6/16/2016

[Full bill text](#)

Overview: An act to regulate automatic renewal provisions for service contracts (written contracts for the performance of service, maintenance or repair in connection with real property or benefit to real property).

New Mexico

Code Section

New Mexico Register 12.2.11

Contracts Applicable to Law



Service contracts (for service, maintenance or repair) which contain automatic renewal clauses

Requirements

If the contract contains an automatic renewal provision, then the seller must provide the consumer written notice prior to the end of the initial term of the contract or prior to the end of any renewal term: (1) in a clear and conspicuous manner, served by certified mail or on the first page of a monthly statement at least 30 days before the last day on which the consumer may give notice of intent to terminate, but not sooner than 60 days before the last day on which the consumer may give notice consumer's right to terminate the contract

Definition of “Clear and Conspicuous”

At least 10 point type

Penalty for Failure to Comply

Violations are unfair or deceptive acts or practices

Proposed bills

None

New York

Code Section

General Obligations Law section 5-903

Contracts Applicable to Law

For contracts for service, maintenance or repair to or for any real or personal property with automatic renewal periods greater than one month

Requirements

Service contracts with automatic renewal provisions require the person furnishing the service, maintenance or repair to give the customer written notice, served personally or by certified mail, notifying the customer of such provision in the contract.

Definition of “Clear and Conspicuous”

Not defined.

Penalty for Failure to Comply

None stated.

Proposed bills

Senate Bill S5468 by Michael H. Ranzenhofer.

STATUS: Committed to Rules on 6/21/2017

[Full bill text](#)

Overview: The bill aims to restrict automatic renewal of contracts for electronic and life safety alarm services only.

North Carolina

Code Section

North Carolina General Statute Annual Section 75-41

Contracts Applicable to Law

Sale or lease of products or services to a consumer where the contract automatically renews.

Requirements



Contract must disclose clearly and conspicuously how to cancel the contract in the initial contract, contract offer, or with delivery of products or services.

Definition of “Clear and Conspicuous”

None stated.

Penalty for Failure to Comply

Seller must provide a full refund or credit for all amounts billed to or paid by the consumer from the date of the renewal until the date of the termination of the contract, or the date of the subsequent notice of renewal, whichever occurs first.

Proposed bills

None

North Dakota

Code Section

No current law

Proposed bills

None

Ohio

Code Section

No current law

Proposed bills

None

Oklahoma

Code Section

No current law

Proposed bills

None

Oregon

Code Section

Oregon Revenue Statute Annual Section 646A.295

Contracts Applicable to Law

Automatic renewal or continuous offer to a consumer

Requirements

Must (1) disclose the automatic renewal provision in a clear and conspicuous manner before a subscription or purchasing agreement is fulfilled 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; (2) obtain affirmative consent to the agreement containing the automatic renewal offer terms or continuous service offer terms prior to charging the consumer's credit or debit



card or payment account; and (3) must provide an acknowledgement that includes the automatic renewal offer terms or continuous service offer terms and information regarding how to cancel in a manner that is capable of being retained by the consumer. If the offer includes a free trial, the person shall also disclose in the acknowledgement how to cancel and allow the consumer to cancel before the consumer pays for the goods or services.

Seller must provide a toll-free telephone number, e-mail address, a PO address *only when the person directly bills the consumer*, or another cost-effective, timely and easy to use mechanism for cancellation that must be described to the consumer.

Any changes to the terms must be provided in a clear and conspicuous manner.

Definition of “Clear and Conspicuous”

(j) “Conspicuous,” with reference to a term, means so written, displayed or presented that a reasonable person against which it is to operate ought to have noticed it. Whether a term is “conspicuous” or not is a decision for the court. Conspicuous terms include the following: (A) A **heading in capitals equal to or greater in size in than the surrounding text**, or in **contrasting type, font or color to the surrounding text** of the same or lesser size; and (B) **Language in the body of a record or display in larger type than the surrounding text**, or in contrasting type, font or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbols or other marks that call attention to the language. ORS 71.2010 (2)(j)

Penalty for Failure to Comply

No penalties stated.

Proposed bills

None

Pennsylvania

Code Section

No current law

Proposed bills

None

Rhode Island

Code Section

Rhode Island General Laws Annual Section 6-13-14

Contracts Applicable to Law

Automatic lease renewals for written leases of personal property

Requirements

Leases of personal property for more than one year with automatic renewal provisions must provide written notice to the lessee not more than ninety (90) nor less than forty-five (45) days prior to the expiration of the lease term. The notice shall state the date upon which the lease term will expire and shall advise the lessee that the lease will be automatically renewed unless the lessee gives written notice to the contrary.



Definition of “Clear and Conspicuous”

Not defined.

Penalty for Failure to Comply

Lease is voidable at the option of the lessee

Proposed bills

None

South Carolina

Code Section

South Carolina Code Annual Section 44-79-60

Contracts Applicable to Law

Written contracts for physical fitness services with automatic renewal options

Requirements

Contracts for physical fitness services may automatically renew, but for no longer than one month, and to be enforceable must be disclosed in bold type of at least fourteen-point font on the front page of the contract and must be initialed by the customer. The customer will be given the ability to opt-in to the automatic renewal provision at the time the initial contract is executed by initialing an opt-in provision. Near the expiration of the initial contract, the facility shall notify the customer in writing at the customer's last known address of the automatic renewal option which the customer selected at the time the initial contract was executed. Price may not increase or decrease in an automatically renewed contract without written notice to the customer of at least thirty but not more than sixty days prior to the effective date of the change in price.

Contract must also state that the cancellation of the contract voids the automatic renewal provision.

Definition of “Clear and Conspicuous”

Not defined, but requires bold type of at least 14 point font

Penalty for Failure to Comply

None stated.

Proposed bills

None

South Dakota

Code Section

South Dakota Codified Laws 49-31-116

Contracts Applicable to Law

Automatic renewal provisions in certain telecommunications contracts

Requirements

Any telecommunication contract that has a term of one year or more and that automatically renews for a renewal term greater than sixty days, shall give prior written notice to the subscriber of the action that the subscriber must take to avoid automatic renewal. The telecommunications company shall give notice to the subscriber not



less than thirty and not more than sixty days before the date of the required action. The notice shall inform the subscriber in clear, plain and conspicuous language what action the subscriber must take to avoid renewal and the date by which the subscriber must take such action.

Definition of “Clear and Conspicuous”

Not defined.

Penalty for Failure to Comply

If the company fails to give the notice required by this section, the automatic renewal provision may not be enforced against the subscriber, and the subscriber may terminate the contract at will following expiration of the original term without incurring any liability or penalty for early termination.

Proposed bills

None

Tennessee

Code Section

Tennessee Code Annual Section 62-32-325

Contracts Applicable to Law

Contracts for alarm systems contractor and homeowner or renter with automatic renewal clause

Requirements

A contract between an alarm systems contractor and any homeowner or renter for the provision of alarm services may not automatically renew for a period more than one year. Further, any party to the contract who is being relocated to a hospital, nursing home or assisted living facility may cancel the contract by giving thirty (30) days' written notice to the alarms system contractor.

Definition of “Clear and Conspicuous”

Not defined.

Penalty for Failure to Comply

None stated.

Proposed bills

None

Texas

Code Section

No current law

Proposed bills

None

Utah

Code Section

Utah Code 15-10-102

Contracts Applicable to Law



Service contracts (service, maintenance or repair in connection with real property or benefit to real property) with automatic renewal provisions for one or more specified period if (a) the renewal causes the contract to be in effect more than 6 months after initiation; and (b) the renewal is effective unless the consumer gives notice of consumer's intention to terminate

Requirements

For service contracts that automatically renew for periods greater than 12 months, a seller shall provide written notice of an automatic renewal provision prominently displayed on the first page of the service contract, as well as written notice directly to the consumer (1) personally, (2) by certified mail, or (3) prominently displayed on the first page of a monthly statement.

The written notice must be provided no later than 30 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract; and no sooner than 90 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract.

The written notice must be written in clear and understandable language; and printed in an easy-to-read type size and style.

Definition of "Clear and Conspicuous"

None stated; but must be written in clear and understandable language and printed in an easy-to-read type size and style.

Penalty for Failure to Comply

If a seller does not comply with this section, then (a) the automatic renewal provision is void and unconscionable as a matter of public policy; and (b) the service contract shall automatically renew on a month-to-month basis.

Proposed bills

None

Vermont

Code Section

No current law

Proposed bills

H.286 by Barbara Rachelson.

STATUS: First read on 2/16/2017 and Referred to the Committee on Commerce and Economic Development.

[Full bill text](#)

Overview: The bill proposes to require that no automatic renewal provision in a contract take effect unless the consumer opts in. Applies to automatic renewal provisions in consumer contracts. The contract shall not automatically renew upon termination unless:

- (1) The contract states the terms of the automatic renewal provisions in plain, unambiguous language;
- (2) The consumer takes an additional, affirmative action to opt in to the automatic renewal provision; and
- (3) If the consumer accepts the automatic renewal provision, the seller or lessor must provide a written or electronic notice to the consumer not less than 30 days but not more than 60 days before the termination date that includes:

- (a) The date the contract will terminate and unless the consumer cancels the contract on or before the termination date, the contract will renew automatically;
- (b) The length and any additional terms of the renewal period;
- (c) One or more methods by which the consumer can cancel the contract; and
- (d) Contact information for the seller or lessor. A violation will be considered an unfair and deceptive act in commerce in violation of Section 2453.

Virginia

Code Section

No current law

Proposed bills

House Bill No. 2430 By Simon, Boysko, Kory and Plum.

STATUS: Offered January 19, 2017; Tabled in Commerce and Labor by voice vote.

[Full bill text](#)

Overview: The bill would amend the Code of Virginia to require "clear and conspicuous" disclosures for "automatic renewal offer terms." Clear and conspicuous means in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbols or other marks, in a manner that clearly calls attention to the language. In the case of an audio disclosure, "clear and conspicuous" or "clearly and conspicuously" means in a volume and cadence sufficient to be readily audible and understandable.

Washington

Code Section

No current law

Proposed bills

Senate bill 5507 by Senators Zeiger, O'Ban, Lias, Fain, and Saldana.

STATUS: First read 1/26/2017; Reintroduced 1/8/2018. Referred to Labor & Commerce.

[Full bill text](#)

Overview: This Act relates to the use of automatic renewal provisions in business contracts; and adding a new chapter to Title 19 RCW. Applies only to contracts for the lease of business equipment used primarily in Washington, or for providing business services, but only if the contract is for the direct benefit of the end user of the business equipment or business services (see other exclusions).

If the contract will be automatically renewed or extended unless the customer declines renewal, and the duration of the additional period is more than one month, then the seller must:

- (1) Present a form with the required disclosures under this section; or
- (2) Include the required disclosures in a conspicuous manner and obtain the customer's initials on the contract on a page on which disclosure appears.

Disclosure must contain all of the following:

- (a) A statement that the contract will be renewed or extended unless the customer declines renewal or extension;
- (b) A statement indicating the duration of the additional contract period that would result from automatic renewal;
- (c) A statement indicating whether an increase in charges to the customer will apply upon an automatic extension or renewal;
- (d) A description of action the customer must take to decline renewal or extension; and

(e) The date of the deadline for the customer to decline renewal or extension.

If a seller fails to comply, then an automatic renewal or extension provision is not enforceable and the contract terminates at the end of the current contract term.

West Virginia

Code Section

No current law

Proposed bills

None

Wisconsin

Code Section

Wisconsin Statute 134.49

Contracts Applicable to Law

Contracts for the lease or purchase of telecommunications services, including commercial mobile service if the contract is derived from a tariff issued by a telecommunications provider.

"Business contract" means a contract that is entered into for the lease of business equipment, if any of the business equipment is used primarily in this state, or for providing business services, but only if the contract is for the direct benefit of the end user of the business equipment or business services.

Requirements

A. If a business contract has an automatic renewal provision for more than a period of one month, the seller shall do one of the following:

1. At the time the customer enters into the contract, present to the customer a copy of a form including the disclosures required under par. (b) and obtain the customer's signature on the form.
2. Include the disclosures required under par. (b) in the contract in a conspicuous manner and obtain the customer's initials on the contract on a page on which a disclosure appears.

(b) A disclosure required shall contain all of the following:

1. A statement that the contract will be renewed or extended unless the customer declines renewal or extension.
2. A statement indicating the duration of the additional contract period that would result from an automatic renewal or extension period.
3. A statement indicating whether an increase in charges to the customer will apply upon an automatic renewal or extension.
4. A description of action the customer must take to decline renewal or extension.
5. The date of the deadline for the customer to decline renewal or extension.

B. If a contract for more than 12 months has an automatic renewal provision that renews for more than 12 months, the seller must provide to the customer at least 15 days but not more than 60 days before the deadline for the customer to decline renewal or extension, a written notice containing all of the following:

- (a) A statement that the contract will be renewed or extended unless the customer declines renewal or extension.
- (b) The deadline for the customer to decline renewal or extension.
- (c) A description of any increase in charges to the customer that will apply after renewal or extension.
- (d) A description of action that the customer must take to decline extension or renewal.



Manner of notice required:

- (a) By mailing a copy of the notice by regular U.S. mail to the customer at the customer's last-known business address, unless the contract requires the customer to notify the seller by certified mail of the customer's intent to cancel.
- (b) By mailing a copy of the notice by registered or certified mail to the customer at the customer's last-known business address.
- (c) By giving a copy of the notice personally to an owner, officer, director, or managing agent of the customer's business.
- (d) By including the notice on the first page of a monthly invoice sent to the customer. Notice under this paragraph shall be prominently displayed in bold face type and in a type size no smaller than 12-point.
- (e) By sending a facsimile to the customer to the customer's last-known facsimile number, if the contract permits the customer to use this method to notify the seller that the customer declines renewal or extension of the contract.
- (f) By sending an electronic mail message to the customer at the customer's last-known electronic mail address, if the contract permits the customer to use this method to notify the seller that the customer declines renewal or extension of the contract.
- (g) By sending the notice via a recognized overnight courier service, if the contract permits the customer to use this method to notify the seller that the customer declines renewal or extension of the contract.

Definition of "Clear and Conspicuous"

Not defined.

Penalty for Failure to Comply

Damages and attorneys' fees

Proposed bills

None

Wyoming

Code Section

No current law

Proposed bills

House Bill No. HB 0227 by Sommers, Barlow, et al.

STATUS: Senate did not consider for introduction 2/27/2017

[Full bill text](#)

An act relating to consumer protection; requiring notice and disclosure of automatic renewal provisions in consumer contracts; providing violations constitute a deceptive trade practice under the Wyoming Consumer Protection Act. To apply to consumer contracts for the sale or distribution of merchandise, which includes service or property, tangible or intangible, real, personal or mixed. Will require clear and conspicuous disclosure of the automatic renewal terms and the cancellation procedure. For contracts with a term of 12 months or more and automatic renewal of more than 1 month, the consumer must be provided with written notice no less than 30 days and no more than 60 days before the cancellation deadline.