

1 **SENATE FLOOR VERSION**

February 8, 2022

2 **AS AMENDED**

3 SENATE BILL NO. 1308

By: Taylor

4
5
6 An Act relating to contracts; establishing certain
7 requirements for contracts with automatic renewal
8 provisions; requiring conspicuous notice of right to
9 cancel certain automatic renewal provisions;
10 providing for unenforceability of certain contracts;
11 providing for consideration of certain merchandise or
12 service as unconditional gift; authorizing Attorney
13 General to enforce provisions; authorizing action for
14 restitution or injunctive relief; **creating exception**
15 **for applicability of provisions**; providing for
16 codification; and providing an effective date.

17 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18 SECTION 1. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 223 of Title 15, unless there is
20 created a duplication in numbering, reads as follows:

21 A. A person who sells or offers to sell merchandise or a
22 service for any specified period under a contract containing a
23 provision for automatic renewal shall:

24 1. Present the terms of the automatic renewal offer in
proximity to the offer in a clear and conspicuous manner before a
subscription or purchasing contract may be fulfilled;

2. Provide an acknowledgement that includes the terms of the
automatic renewal offer and information regarding how to cancel the

1 automatic renewal in a manner which is capable of being retained by
2 the buyer; and

3 3. Provide a cost-effective, timely and simple procedure for
4 cancellation of the automatic renewal which shall be described in
5 the acknowledgement required pursuant to paragraph 2 of this
6 subsection.

7 B. A person who sells or offers to sell merchandise or a
8 service for a specified period under a contract containing a
9 provision for automatic renewal for a period that exceeds six (6)
10 months at the end of the time period specified in the contract shall
11 provide a clear and conspicuous written notice to the purchaser
12 stating that the purchaser may cancel the contract and avoid
13 automatic renewal. Any contract for sale of merchandise or a
14 service in violation of the requirements of this section shall be
15 void and unenforceable and any merchandise or service provided to
16 the purchaser shall be considered an unconditional gift. The
17 Attorney General may enforce the requirements of this section, and a
18 person aggrieved by a violation of this section may bring an action
19 for restitution and injunctive relief.

20 **C. The provisions of this section shall not apply to a contract**
21 **for insurance.**

22 SECTION 2. This act shall become effective November 1, 2022.

23 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY
24 February 8, 2022 - DO PASS AS AMENDED