

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1851 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Suzanne Schreiber _____

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 PROPOSED POLICY
4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1851

By: Schreiber

7
8 PROPOSED POLICY COMMITTEE SUBSTITUTE

9 An Act relating to contracts; creating the Oklahoma
10 Fair Renewal Act; providing definitions; requiring
11 certain automatic renewal contracts to present offer
12 terms in clear and conspicuous manner; prohibiting
13 utilization of online link unless it complies with
14 certain conditions; requiring written
15 acknowledgement; requiring a readily accessible
16 mechanism for canceling an automatic renewal
17 contract; requiring notice of material changes;
18 requiring notice of contract renewal; providing
19 exceptions for certain entities; granting authority
20 to the Attorney General and district attorneys to
21 enforce this act; providing for codification; and
22 providing an effective date.

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

24 SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 773 of Title 15, unless there is
created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Fair
Renewal Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 773.1 of Title 15, unless there
3 is created a duplication in numbering, reads as follows:

4 As used in this act, the following terms shall mean:

5 A. "Automatic renewal contract" means a plan or arrangement in
6 which a paid subscription or purchasing agreement is automatically
7 renewed at the end of a definite term for a subsequent term or on a
8 continuous or recurring basis.

9 B. "Automatic renewal offer terms" means the following clear
10 and conspicuous disclosures:

11 1. That an automatic renewal contract will automatically renew
12 or extend after the initial period for a set term not to exceed one
13 year unless the consumer gives express written consent for a longer
14 renewal term;

15 2. A description of the cancellation policy that applies to the
16 offer;

17 3. Any recurring charges that will be charged to the consumer's
18 credit card, debit card, or payment account with a third party as
19 part of an automatic renewal contract;

20 4. The length of an automatic renewal term; and

21 5. The minimum purchase obligation, if any.

22 C. 1. "Clear and conspicuous" or "clearly and conspicuously"
23 means in larger type than the surrounding text; in contrasting type,
24 font, or color to the surrounding text of the same size; or set off

1 from the surrounding text of the same size by symbols or other marks
2 in a manner that clearly calls attention to the language; or

3 2. In the case of an audio disclosure, "clear and conspicuous"
4 or "clearly and conspicuously" means in a volume and cadence
5 sufficient to be readily audible and understandable.

6 D. "Consumer" means an individual who seeks or acquires, by
7 purchase or lease, any goods, services, money, or credit for
8 personal, family, or household purposes.

9 E. "Trial period offer" means a solicitation offering a
10 consumer a period of time in which to sample a product or service,
11 which offer is used as an inducement for the consumer to make a
12 purchase of the product or service or a similar product or service.

13 SECTION 3. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 773.2 of Title 15, unless there
15 is created a duplication in numbering, reads as follows:

16 It is unlawful for a person who offers an automatic renewal
17 contract to a consumer in this state to:

18 1. Fail to present the automatic renewal offer terms in a clear
19 and conspicuous manner before the automatic renewal contract is
20 executed. In the case of an offer that is conveyed by voice, the
21 person must present the terms in temporal proximity to the request
22 for the consumer's consent to the offer. If the offer includes a
23 trial period offer, the offer must also include a clear and
24 conspicuous explanation of the price that will be charged and any

1 further purchase obligations that will be imposed on the consumer
2 after the trial period ends;

3 2. Utilize an online link that is presented as part of an offer
4 of an automatic renewal contract, which online link directs a
5 consumer to detailed information about the automatic renewal
6 contract, unless the online link:

7 a. is available before a consumer elects to purchase any
8 good or service subject to the automatic renewal
9 contract,

10 b. appears directly adjacent to any online link used by
11 the consumer to purchase any good or service subject
12 to the automatic renewal contract, and

13 c. is labeled with, or is directly adjacent to, a clear
14 and conspicuous disclosure which states that by
15 purchasing the good or service, the consumer agrees to
16 enroll in an automatic renewal contract;

17 3. Fail to provide the consumer a written acknowledgment that
18 includes the automatic renewal offer terms, the cancellation policy,
19 and information regarding how to cancel in a manner that is capable
20 of being retained by the consumer. If the offer of an automatic
21 renewal contract includes a trial period offer, the person shall
22 also disclose in the written acknowledgment how the consumer may
23 cancel the automatic renewal contract, and the person shall allow
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1 the consumer to cancel the contract before the consumer is required
2 to pay for the goods or services;

3 4. Fail to provide a simple, cost-effective, timely, easy-to-
4 use, and readily accessible mechanism for canceling an automatic
5 renewal contract or trial period offer. A person is deemed to
6 comply with paragraph 4 of this section, if the person offers:

7 a. A direct online cancellation link that is:

8 (1) located on the person's website, within the
9 consumer's account or profile, or contained in an
10 electronic device or service or an electronic
11 communication to the consumer, and

12 (2) available to the consumer immediately or after
13 the consumer completes a reasonable
14 authentication protocol used solely to confirm
15 that the consumer is authorized to make changes
16 to the account, or

17 b. An in-person mechanism for canceling an automatic
18 renewal contract or trial period offer, which
19 mechanism:

20 (1) is at a physical location where the consumer
21 regularly utilizes any goods or services that are
22 subject to the automatic renewal contract, and

23 (2) satisfies the requirements of paragraph 4 of this
24 section.

1 SECTION 4. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 773.3 of Title 15, unless there
3 is created a duplication in numbering, reads as follows:

4 If a material change occurs in the terms of an automatic renewal
5 contract that has been accepted by a consumer in this state, the
6 person shall provide to the consumer, in a manner that may be
7 retained by the consumer, a clear and conspicuous notice of the
8 material change and information regarding cancellation of the
9 automatic renewal contract, including information concerning the
10 mechanism described in paragraph 4 of Section 3 of this act.

11 SECTION 5. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 773.4 of Title 15, unless there
13 is created a duplication in numbering, reads as follows:

14 A. A person that sells a good or service to a consumer pursuant
15 to an automatic renewal contract shall notify the consumer that the
16 automatic renewal contract will automatically renew or continue
17 unless the consumer cancels the automatic renewal contract. The
18 notice must inform the consumer of the process for canceling the
19 automatic renewal contract, and the process must provide clear and
20 accurate information about the identity of the sender and be
21 consistent with paragraph 4 of Section 3 of this act. The person
22 shall provide the notice by:

- 23 1. Physical mail;
- 24 2. E-mail; or

1 3. Another easily accessible form of communication, such as a
2 text message or a mobile phone application, if the consumer
3 specifically authorizes the person to provide notice in such form or
4 if the consumer customarily uses such form to communicate with the
5 person.

6 B. A person that sells a good or service to a consumer pursuant
7 to an automatic renewal contract shall send the notice described in
8 subsection A of this section at least fifteen (15) and no more than
9 forty-five (45) days for automatic renewal contracts with an initial
10 term of one year that renew for more than one month.

11 SECTION 6. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 773.5 of Title 15, unless there
13 is created a duplication in numbering, reads as follows:

14 Notwithstanding any provision of this act to the contrary, this
15 act does not apply to:

16 1. A service provided by a person pursuant to a franchise
17 issued by a political subdivision of the state or a license,
18 franchise, certificate, or other authorization issued by the
19 Oklahoma Corporation Commission;

20 2. A service provided by a person that is regulated by the
21 Federal Communications Commission, the Federal Energy Regulatory
22 Commission, or the Oklahoma Corporation Commission;

23 3. Any person or entity regulated by the Oklahoma Insurance
24 Department, or an affiliate of that person or entity;

1 4. A bank or bank holding company that is licensed under state
2 or federal law, or a subsidiary or affiliate of such a bank or bank
3 holding company;

4 5. A credit union or other financial institution that is
5 licensed under state or federal law;

6 6. An air carrier as defined in and regulated under the Federal
7 Aviation Act of 1958, 49 U.S.C., Section 40101 et seq., as amended,
8 including the federal Airline Deregulation Act of 1978, 49 U.S.C.,
9 Section 41713, as amended; or

10 7. An entity regulated by the Oklahoma Department of Labor
11 under the Alarm, Locksmith, and Fire Sprinkler Industry Act.

12 SECTION 7. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 773.6 of Title 15, unless there
14 is created a duplication in numbering, reads as follows:

15 The Attorney General and the district attorneys of the state
16 have exclusive authority to enforce this act.

17 SECTION 8. This act shall become effective November 1, 2025.

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