

BILL SUMMARY
1st Session of the 60th Legislature

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| Bill No.: | HB1851 |
| Version: | INT |
| Request Number: | 10120 |
| Author: | Rep. Schreiber |
| Date: | 2/11/2025 |
| Impact: | \$0 |

Research Analysis

HB 1851, as introduced, requires businesses to clearly present automatic contract renewal terms before a contract is executed, including details on cancellation policies, recurring charges, contract length, and any minimum purchase obligations. Consumers must be provided with a simple contract cancellation mechanism, such as a one-step online link or an in-person option. The measure also requires businesses to notify consumers at least 25 to 40 days before an automatic renewal occurs. If there are material changes to the contract, businesses must inform consumers and provide cancellation instructions. Certain industries, including utilities, telecommunications, financial institutions, insurance, and airlines, are exempt from these requirements.

Prepared By: Autumn Mathews

Fiscal Analysis

HB1851 sets forth statutory requirements for businesses related to the automatic renewal of certain contracts. In its current form, this measure is not anticipated to have a material impact on state budget or appropriations.

Prepared By: Robert Flipping IV, House Fiscal Staff

Other Considerations

None.