

1 ENGROSSED HOUSE
2 BILL NO. 1851

By: Schreiber and Deck of the
House

3 and

4 Gollihare of the Senate
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7 [contracts - Oklahoma Fair Renewal Act - automatic
8 renewal contracts - offer terms - online link -
9 written acknowledgement - notice of material
10 changes - notice of contract renewal - exceptions -
11 unlawful business practice - codification -
12 effective date]
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15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

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

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

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

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

5 B. "Automatic renewal offer terms" means the following clear
6 and conspicuous disclosures:

7 1. That an automatic renewal contract will automatically renew
8 or extend after the initial period for a set term not to exceed one
9 (1) year unless the consumer gives express written consent for a
10 longer renewal term;

11 2. A description of the cancellation policy that applies to the
12 offer;

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

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

17 5. The minimum purchase obligation, if any.

18 C. 1. "Clear and conspicuous" or "clearly and conspicuously"
19 means in larger type than the surrounding text; in contrasting type,
20 font, or color to the surrounding text of the same size; or set off
21 from the surrounding text of the same size by symbols or other marks
22 in a manner that clearly calls attention to the language; or
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1 2. In the case of an audio disclosure, "clear and conspicuous"
2 or "clearly and conspicuously" means in a volume and cadence
3 sufficient to be readily audible and understandable.

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

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

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

14 A. It is unlawful for a person who offers an automatic renewal
15 contract to a consumer in this state to:

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

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

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

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

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

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

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

5 a. a direct online cancellation link that is:

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

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

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

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

21 (2) satisfies the requirements of this paragraph.

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

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

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

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

- 19 1. Physical mail;
- 20 2. Electronic mail; or
- 21 3. Another easily accessible form of communication, such as a
22 text message or a mobile phone application, if the consumer
23 specifically authorizes the person to provide notice in such form or
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1 if the consumer customarily uses such form to communicate with the
2 person.

3 B. A person that sells a good or service to a consumer pursuant
4 to an automatic renewal contract shall send the notice described in
5 subsection A of this section at least fifteen (15) and no more than
6 forty-five (45) days for automatic renewal contracts with an initial
7 term of one (1) year that renew for more than one (1) month.

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

11 A. Notwithstanding any provision of this act to the contrary,
12 this act does not apply to:

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

17 2. A service provided by a person or an affiliate or subsidiary
18 thereof that is regulated by the Federal Communications Commission,
19 the Federal Energy Regulatory Commission, or the Oklahoma
20 Corporation Commission;

21 3. Any person or entity regulated by the Oklahoma Insurance
22 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 Any violation of this act shall constitute an unlawful business
16 practice and shall be subject to the provisions of the Oklahoma
17 Consumer Protection Act.

18 SECTION 8. This act shall become effective November 1, 2025.
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1 Passed the House of Representatives the 26th day of March, 2025.

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4 Presiding Officer of the House
5 of Representatives

6 Passed the Senate the ____ day of _____, 2025.

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9 Presiding Officer of the Senate