

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 1851

By: Schreiber

6 AS INTRODUCED

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

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

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

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

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

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

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

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

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

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

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

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

18              5. The minimum purchase obligation, if any.

19           C. 1. "Clear and conspicuous" or "clearly and conspicuously"  
20 means in larger type than the surrounding text; in contrasting type,  
21 font, or color to the surrounding text of the same size; or set off  
22 from the surrounding text of the same size by symbols or other marks  
23 in a manner that clearly calls attention to the language; or

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 subsection A paragraph 4 if the person offers:

5           a. A one-step online cancellation link that is:

- 6              (1) located on the person's website or contained in  
7                  an electronic device or service or an electronic  
8                  communication to the consumer, and  
9              (2) available to the consumer immediately or after  
10                 the consumer completes a reasonable  
11                 authentication protocol used solely to confirm  
12                 that the consumer is authorized to make changes  
13                 to the account, or

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

- 17              (1) is at a physical location where the consumer  
18                  regularly utilizes any goods or services that are  
19                  subject to the automatic renewal contract, and  
20              (2) satisfies the requirements of this paragraph 4.

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

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, in a manner that may be  
4 retained by the consumer, a clear and conspicuous notice of the  
5 material change and information regarding cancellation of the  
6 automatic renewal contract, including information concerning the  
7 mechanism described in paragraph 4 of Section 3 of this act.

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

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

20            1. Physical mail;

21            2. E-mail; or

22            3. Another easily accessible form of communication, such as a  
23 text message or a mobile phone application, if the consumer  
24 specifically authorizes the person to provide notice in such form or

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 twenty-five (25) and no more  
6 than forty (40) days before the first automatic renewal and at least  
7 twenty-five (25) and no more than forty (40) days before each  
8 automatic renewal thereafter; except that, if the initial automatic  
9 renewal or any subsequent automatic renewal is for a term of less  
10 than twelve (12) months, the person shall send the notice:

11           1. At least once in the period between twenty-five (25) and  
12 forty (40) days directly preceding the first automatic renewal that  
13 would extend the contract beyond a continuous twelve-month period;  
14 and

15           2. At least once in the period between twenty-five (25) and  
16 forty (40) days directly preceding any subsequent automatic renewal  
17 that would extend the contract beyond any additional consecutive and  
18 continuous twelve-month period.

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

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

1       1. A service provided by a person pursuant to a franchise  
2 issued by a political subdivision of the state or a license,  
3 franchise, certificate, or other authorization issued by the  
4 Oklahoma Corporation Commission;

5       2. A service provided by a person that is regulated by the  
6 Federal Communications Commission, the Federal Energy Regulatory  
7 Commission, or the Oklahoma Corporation Commission;

8       3. An entity regulated by the Oklahoma Insurance Department;

9       4. A bank or bank holding company that is licensed under state  
10 or federal law, or a subsidiary or affiliate of such a bank or bank  
11 holding company;

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

14       6. An air carrier as defined in and regulated under the Federal  
15 Aviation Act of 1958, 49 U.S.C. sec. 40101 et seq., as amended,  
16 including the federal Airline Deregulation Act of 1978, 49 U.S.C.  
17 sec. 41713, as amended.

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

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

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

2

3 60-1-10120

MJ

11/20/24

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24