

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE
FOR
5 HOUSE BILL NO. 1851

By: Schreiber and Deck of the
House

6 and

7 **Gollihare** of the Senate

11 COMMITTEE SUBSTITUTE

12 An Act relating to contracts; creating the Oklahoma
13 Fair Renewal Act; providing definitions; requiring
14 certain automatic renewal contracts to present offer
terms in clear and conspicuous manner; prohibiting
utilization of online link unless it complies with
certain conditions; requiring written
acknowledgement; requiring a readily accessible
mechanism for canceling an automatic renewal
contract; requiring notice of material changes;
requiring notice of contract renewal; providing
exceptions for certain entities; clarifying violation
of act constitutes unlawful business practice;
providing for codification; and 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:

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

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

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

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

11 B. "Automatic renewal offer terms" means the following clear
12 and conspicuous disclosures:

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

17 2. A description of the cancellation policy that applies to the
18 offer;

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

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

23 5. The minimum purchase obligation, if any.

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

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

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

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

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

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

21 1. Fail to present the automatic renewal offer terms in a clear
22 and conspicuous manner before the automatic renewal contract is
23 executed. In the case of an offer that is conveyed by voice, the
24 person must present the terms in temporal proximity to the request

1 for the consumer's consent to the offer. If the offer includes a
2 trial period offer, the offer must also include a clear and
3 conspicuous explanation of the price that will be charged and any
4 further purchase obligations that will be imposed on the consumer
5 after the trial period ends;

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

10 a. is available before a consumer elects to purchase any
11 good or service subject to the automatic renewal
12 contract,

13 b. appears directly adjacent to any online link used by
14 the consumer to purchase any good or service subject
15 to the automatic renewal contract, and

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

20 3. Fail to provide the consumer a written acknowledgment that
21 includes the automatic renewal offer terms, the cancellation policy,
22 and information regarding how to cancel in a manner that is capable
23 of being retained by the consumer. If the offer of an automatic
24 renewal contract includes a trial period offer, the person shall

1 also disclose in the written acknowledgment how the consumer may
2 cancel the automatic renewal contract, and the person shall allow
3 the consumer to cancel the contract before the consumer is required
4 to pay for the goods or services;

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

9 a. a one-step online cancellation link that is:

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

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

- 21 (1) is at a physical location where the consumer
22 regularly utilizes any goods or services that are
23 subject to the automatic renewal contract, and
24 (2) satisfies the requirements of this paragraph.

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

14 1. Seven (7) days directly preceding the first automatic
15 renewal that would extend the contract beyond a continuous twelve-
16 month period; and

17 2. Seven (7) days directly preceding any subsequent automatic
18 renewal that would extend the contract beyond any additional
19 consecutive and continuous twelve-month period.

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

23 A. Notwithstanding any provision of this act to the contrary,
24 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., Section 40101 et seq., as amended,
16 including the federal Airline Deregulation Act of 1978, 49 U.S.C.,
17 Section 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 Any violation of this act shall constitute an unlawful business
22 practice and shall be subject to the provisions of the Oklahoma
23 Consumer Protection Act.

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

2

3 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY AND PUBLIC SAFETY
OVERSIGHT, dated 03/04/2025 - DO PASS, As Amended and Coauthored.

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24