

# State Automatic Renewal Laws

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A Practice Note on state automatic renewal laws focusing on consumer subscription services and negative option offers. This Note discusses overall differences between federal and state regulation, distinctions in how states regulate automatic renewals (extensively, generally, or narrowly), and provides certain compliance best practices in addition to discussing actions relying on the good faith exceptions provided by state law and the outcome of litigation and settlements in California over its automatic renewal law, which is the state in which automatic renewal laws have been most heavily litigated.

Automatically renewing contracts have benefits for both sellers and consumers:

- Sellers can stock inventory more efficiently and predict future revenue because they can ship products and deliver services on a predetermined schedule.
- Consumers can receive uninterrupted service and may bypass re-submitting purchase information.

(See Negative Options: A Report by the Staff of the FTC'S Division of Enforcement, 2009 WL 356592, at \*7.)

Despite these benefits, regulators have noticed the potential harm automatically renewing contracts may pose to consumers. Several states have historically regulated automatic renewals, but those laws typically focused on a particular product or service, such as home alarm products, health club memberships, or home repair services. Now many states have broadened the reach of their automatic renewal laws beyond specific contract types to consumer contracts more generally.

Some states have enacted extensive compliance regimes to protect consumers from unknowingly entering into subscription agreements that automatically renew via a "negative option." The term "negative option" broadly refers to a category of offers in which sellers interpret a customer's silence or failure to take an affirmative action (such as rejecting an offer or canceling a subscription agreement) as assent to be charged for goods or services.

The Federal Trade Commission (FTC) has been regulating sellers who capitalize on consumers' silence for decades. For example:

- In 1974, the FTC promulgated the "Negative Option Rule," which applies only to a pre-notification negative option plan, defined as a contractual plan or arrangement where a seller periodically sends to subscribers an announcement which identifies merchandise it proposes to send to subscribers and the subscribers are thereafter billed for the merchandise, unless they tell the seller that they do not want to receive the merchandise (16 C.F.R. § 425.1(c)(1)). It requires sellers to clearly and conspicuously disclose the terms of an offer before consumers could subscribe to purchasing goods (16 C.F.R. § 425.1).
- The Telemarketing Sales Rule, enacted by the FTC in 1995, applies to all forms of negative option marketing that occurs over the telephone (16 C.F.R. §§ 310.1 to 310.9).

The states generally refer to their laws in this area as "automatic renewal laws," using automatic renewals in the broadest sense (as opposed to the FTC that categorizes automatic renewal programs as just a single type of negative option plan (see FTC Blog: Acc-cen-tuate the negative?)). Some types of narrow-focused state automatic renewal laws, such as those dealing with leases of personal or business property, are broader than "negative option" contracts and, although briefly referenced, are generally beyond the scope of this Note.

All of these laws relating to automatic renewals set out:

- What must be disclosed to the consumer.
- At what point in the transaction the information must be disclosed.

The more comprehensive state regulations also frequently require:

- Specific formatting requirements for disclosures.

- Express consumer consent to the automatic renewal terms.
- A written acknowledgment of the contract to be later transmitted to the consumer.

Sellers need to stay apprised of and understand these changing laws because the penalties for failing to comply can be severe, including:

- Rendering the subscription services contract null and void.
- Deeming any product provided under such a contract a gift.
- Establishing a violation of a state's more general consumer protection laws.

This Note:

- Outlines the various types of state laws regulating automatic renewals in the US, which can be:
  - extensive;
  - general; or
  - narrow.
- Discusses best practices for companies wanting to implement automatic renewal provisions in consumer contracts.

For a companion Chart listing all state automatic renewal laws, including the District of Columbia, see State Automatic Renewal Laws Charts ([W-020-5738](#)).

## REGULATORY AND LEGAL FRAMEWORK

Both the federal government and individual states, as well as the District of Columbia (DC), have passed legislation governing how sellers must structure automatic renewals and similar negative option offers.

These types of offers include the four examples of negative option programs as described by the FTC:

- **Pre-notification negative option plans.** Under these plans, such as the book or music clubs that became popular in the 1980s, sellers send periodic notices offering goods. If consumers take no action, sellers send the goods and charge consumers.
- **Continuity plans.** For these plans, consumers agree in advance to receive periodic shipments of goods or provision of services, which they continue to receive until they cancel the contract.
- **Automatic renewals.** With these plans, a company may automatically renew a consumer's subscription when it expires and charge for it unless the consumer affirmatively cancels the subscription.
- **Free-to-pay or nominal-fee-to-pay trial offer conversions.** In these plans, consumers receive goods or services for free (or at a nominal fee) for a trial period. After the trial period, sellers automatically begin charging a fee (or higher fee) unless consumers affirmatively cancel.

## FEDERAL REGULATIONS

On the federal level, companies should think about both:

- The Negative Option Rule promulgated by the FTC (16 C.F.R. § 425.1).
- The Restore Online Shoppers' Confidence Act (ROSCA) (15 U.S.C. §§ 8401 to 8405).

Guidelines published in January 2009 by FTC staff members offer recommendations for the industry in complying with Section 5 of the Federal Trade Commission Act (FTC Act) when making online negative option offers (see *Negative Options: A Report by the Staff of the FTC's Division of Enforcement*, 2009 WL 356592, at \*24-26). The guidelines include the following five key principles to maximize a seller's likelihood of compliance:

- **Disclose the offer's material terms in a manner that is understandable to the consumer.** This must include the existence of the offer, the offer's total cost, whether the consumer's billing information will be transferred to a third party, and how to cancel the offer. Sellers should avoid making disclosures that are vague, unnecessarily long, or contain contradictory language.
- **Clearly and conspicuously display the disclosures.** The disclosures must be in locations where they are likely to be seen, and the disclosures, and any links to them, must be labeled with language indicating the importance and relevance of the information. The text should be easy to read whether in print or online.
- **Disclose the offer's material terms before consumers pay or incur a financial obligation.** Any disclosures should occur **before** a consumer agrees to an offer online by clicking a "submit" or "purchase" button.
- **Obtain consumers' affirmative consent to the offer.** Consent requires that consumers take an affirmative step to demonstrate consent to an online automatic renewal offer. A pre-checked box should not be relied on as evidence of consent.
- **Do not impede the effective operation of promised cancellation procedures.** Sellers should not engage in practices that make cancellation burdensome for consumers, such as requiring consumers to wait on hold for unreasonably long periods of time.

In December 2010, Congress passed ROSCA, which imposes specific requirements on online negative option plans. ROSCA expressly prohibits a seller from charging or attempting to charge a consumer for goods or services over the internet through a negative option contract unless the seller:

- Clearly and conspicuously discloses the material terms of the transaction before obtaining the consumer's billing information.
- Obtains the consumer's "express informed consent" before charging the consumer.
- Provides "simple mechanisms for a consumer to stop recurring charges" from occurring.

(15 U.S.C. §§ 8401 to 8405.)

A violation of ROSCA is considered an unfair or deceptive act or practice under section 18 of the FTC Act, which subjects sellers to penalties. State attorneys general may bring an action against a seller alleging a ROSCA violation. (15 U.S.C. §§ 8401 to 8405.)

The FTC has issued its own challenges against sellers for alleged violations. For example:

- In 2014, the FTC issued its first challenge against a seller in *FTC v. Health Formulas, LLC*, and the defendants ultimately agreed to stop certain business practices related to "free trials," and return more than \$9.8 million to consumers (see 2017 WL 11231042 (D. Nev. Feb. 22, 2017); see also FTC Press Release).

- In February 2019, the FTC filed a complaint against a Puerto Rico-based defendant and the eight companies he owns and operates for multiple violations of ROSCA, including the defendant's failure to disclose that consumers would be automatically charged for products unless they canceled (see FTC Press Release).

For more information on these federal regulations, see Practice Note, Positive Practices for Negative Option Features: Negative Option Rule ([W-013-3440](#)) and Restore Online Shoppers' Confidence Act ([W-013-3440](#)).

## STATE REGULATIONS

States have passed automatic renewal laws that cover all types of negative option programs, some of which go beyond the types of plans the FTC regulates. As used at the state level, automatic renewal is often used in the broadest sense of the word and not in the narrow sense as used by the FTC to describe a specific form of negative option plans. Where federal and state regulation overlap, the federal standards set the minimum bar for compliance but states can impose stricter laws. For example, California has adopted some of the broadest and strictest requirements under its automatic renewal law. Other states have also decided to regulate automatic renewal contracts, but with different or less extensive compliance regimes.

Although ROSCA gives state attorneys general a cause of action under the FTC Act, states may also bring actions under their own consumer protection laws. In fact, several states similarly consider violations of their automatic renewal laws to be per se violations of their unfair and deceptive acts or practices laws, including Hawaii, Illinois, Nevada, New Hampshire, New Mexico, North Dakota, Vermont, and Virginia (see State Automatic Renewal Laws Charts ([W-020-5738](#))).

The laws across states differ significantly in how they regulate automatically renewing contracts. Broadly speaking, states typically either:

- Extensively or generally regulate virtually **all** consumer contracts containing automatic renewal provisions (see States with Extensive Automatic Renewal Laws and States with General Automatic Renewal Laws).
- Only regulate certain **narrow** categories of automatic renewal contracts, for example, dance studio, home alarm, or health club contracts (see States with Narrow Automatic Renewal Laws). In this narrow category is also where states regulate forms of automatic renewal laws that are outside the scope of the FTC negative option plans and this Note (for example, any state law dealing with automatic renewals of property leases (see, for example, Ark. Code Ann. § 4-86-109 and R.I. Gen. Laws § 6-13-14)).

For more information about individual state laws, see State Automatic Renewal Laws Charts ([W-020-5738](#)).

While many states and the District of Columbia have passed legislation concerning automatic renewals relating to consumer subscription services and negative option offers, a number of states have not (as of June 2019), including: Alabama, Alaska, Arizona, Delaware, Idaho, Indiana, Iowa, Kansas, Kentucky, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, Ohio, Oklahoma, Pennsylvania, Rhode Island, Texas, Washington, West Virginia, and Wyoming.

However, many of these states with either no laws or narrow laws have initiated bills to join the growing number of states that regulate automatic renewals more extensively. For example, Delaware proposed a bill that would require clear and conspicuous disclosures of automatic renewals and written notice to consumers within a certain time period in consumer contracts (House Bill 321) (149th General Assembly (2017-2018)).

In addition, some states have either:

- Expanded existing laws (see Legal Update, California Expands Requirements for Consumer Subscriptions ([W-013-1067](#))).
- Increased their enforcement efforts (California has been particularly active in this area; see Litigation and Settlements and Practice Note, Positive Practices for Negative Option Features: State Enforcement ([W-013-3440](#))).

An example of a state increasing its enforcement efforts is Iowa. Iowa has no current law specifically regulating automatic renewals beyond physical exercise club contracts (see State Automatic Renewal Laws Chart: Iowa ([W-020-5738](#))). However, it has enforced exceptions under other Iowa statutes that provide consumers with a right to cancel door-to-door sales, buying clubs, funeral services, social referral services, business opportunities, membership campground contracts, exercise clubs, and time shares (see Iowa Attorney General Website: Right to Cancel ).

In 2014, the Iowa Attorney General required Amazon:

- To issue refunds and credits to Iowa consumers who were Amazon Prime members whose unused memberships may have indicated they did not know they had been enrolled.
- Via contract to comply with Iowa's Buying Club Memberships law, which "requires certain notices and disclosures designed to make the enrollment process clear to consumers."

(See Iowa Attorney General Press Release.)

Certain other state attorneys general have joined together to prosecute sellers for violations (see Litigation and Settlements).

A few states, while they only represent a minority, have passed laws that impact automatic renewal provisions in business-to-business contracts (see, for example, Wis. Stat. § 134.49, regarding the enforceability of these provisions). Other states have statutory restrictions around automatic renewals of real property leases, which are generally beyond the scope of this Note.

Therefore, states generally fall into three categories of automatic renewal laws:

- **Disclosure with extensive requirements.** These automatic renewal laws generally apply to all consumer contracts and have extensive compliance requirements regarding clear and conspicuous disclosure, consent, and confirmation (see States with Extensive Automatic Renewal Laws).
- **Disclosure with some additional, general requirements.** These automatic renewal laws generally apply to all consumer contracts and require clear and conspicuous disclosure of automatic renewal terms. However:
  - some states just require clear and conspicuous disclosure (for example, Illinois, Louisiana, and North Carolina); and

- other states (for example, Connecticut and Hawaii) require both clear and conspicuous disclosure and notification to the customer of the automatic renewal within a certain period of time before the first automatic renewal occurs. Hawaii defines “clear and conspicuous,” but Connecticut does not. Sellers in Connecticut and other states that do not define “clear and conspicuous” should look to the guidance the FTC provides on clear and conspicuous disclosures (see Practice Note, Advertising: Overview: Clear and Conspicuous Disclosures ([2-501-2799](#))).
- (See States with General Automatic Renewal Laws.)
- **Disclosure with additional requirements, but applicable only to certain contracts.** These automatic renewal laws impose similar requirements to those in the extensively regulating states, but only apply to specific types of contracts such as dance studios, gym memberships and alarm systems (see States with Narrow Automatic Renewal Laws). Of these states, only New Hampshire, New Mexico, and South Carolina define “clear and conspicuous.”

For more information on all state automatic renewal laws, see State Automatic Renewal Laws Charts ([W-020-5738](#)).

## STATES WITH EXTENSIVE AUTOMATIC RENEWAL LAWS

There are six jurisdictions that impose extensive requirements on sellers who offer automatically renewing contracts to consumers:

- California (see California).
- North Dakota (see North Dakota).
- Oregon (see Oregon).
- Vermont (see Vermont).
- Virginia (see Virginia).
- Washington, DC (see District of Columbia).

California’s law was the first to come into effect, in December 2010, and sets out detailed requirements on:

- Presenting the offer to the consumer.
- Obtaining the consumer’s affirmative consent to the offer.
- Sending a subsequent acknowledgment of the automatic renewal terms to the consumer that clearly states the cancellation terms.
- Providing, through its most recent update, that a consumer who signs up online must be able to cancel online, as well as additional requirements for free trials.

North Dakota, District of Columbia, Oregon, Vermont, and Virginia have laws that were modeled after the California law, but have slight nuances or differences.

## CALIFORNIA

California’s automatic renewal law broadly covers “any plans or arrangements in which a paid subscription or purchasing contract is automatically renewed at the end of a definite term for a subsequent term” (Cal. Bus. & Prof. Code § 17601(a)). Some specific contracts are exempted, however (for example, alarm company operators and franchise arrangements) (Cal. Bus. & Prof. Code § 17605). The statute applies to automatic renewals related to products and services, and it includes free trials as well.

A business making an offer to a consumer in California containing an automatic renewal must meet specific requirements relating to:

- The presentation of the terms (see Display of Terms).
- The consent of the consumer to the offer (see Affirmative Consent to Offer).
- The acknowledgments provided to the consumer (see Consumer Acknowledgment).
- The cancellation of the subscription or trial (see Cancellation Method).
- The notice necessary to convey a material change to the automatic renewal terms (see Notice of Material Change).
- The disclosure that any free gift or trial will convert to a paid subscription, if applicable (see Conversion to Paid Subscription).

For more information on California’s automatic renewal laws, see State Automatic Renewal Laws Charts: California ([W-020-5738](#)).

## Display of Terms

The California statute requires any plan or subscription to clearly and conspicuously present the terms. Specifically, the automatic renewal offer terms must be presented to the consumer both:

- Before the purchasing contract is fulfilled, and in “visual proximity” (or in the case of an offer conveyed by voice, in temporal proximity), to the “request for consent to the offer.”
- In at least one of the following ways:
  - in a larger type than the surrounding text;
  - in contrasting type, font, or color to the surrounding text of the same size; or
  - set off from the surrounding text of the same size by symbols or other marks in a manner that clearly calls attention to the language.

(Cal. Bus. & Prof. Code § 17602.)

Best practices include the following separately or in combination with one another:

- Using bold, highlighted, all-capitalized, or different-colored text for the automatic renewal terms.
- Putting a heavy-line box around the terms.
- The terms should notify the consumer that unless the consumer cancels before the next billing period, the contract will automatically renew:
  - for the specified time period; and
  - at the specified price.
- On a webpage, the automatic renewal terms should appear next to or immediately above the button that the consumer clicks to complete the purchase. The terms should not appear below the purchase button or via a link.

## Conversion to Paid Subscription

The California statute requires any automatic renewal plan with a free gift or trial period to clearly and conspicuously disclose the price that will be charged after the trial ends or the way in which the subscription will change after the trial. (Cal. Bus. & Prof. Code § 17602.)

For free gifts or trials, sellers should also follow the best practices described in Display of Terms.

### Affirmative Consent to Offer

Under the California statute, a business must ensure that it obtains the consumer's affirmative consent to the contract containing the automatic renewal terms (Cal. Bus. & Prof. Code § 17602).

A best practice includes adding an "I agree" check box (not pre-checked) next to the specific automatic renewal terms on a seller's order page, in addition to (and separate from) the seller's Terms and Conditions and any check box for those Terms and Conditions.

### Consumer Acknowledgment

The California statute requires a business to send an acknowledgment to the consumer covering specific items. A business must provide the consumer a retainable acknowledgment of:

- The automatic renewal offer's terms.
- The cancellation policy.
- The information about how to cancel.

(Cal. Bus. & Prof. Code § 17602.)

If the offer includes a free trial, the acknowledgment must disclose how the consumer can cancel the automatic renewal before the consumer is charged for the good or service (Cal. Bus. & Prof. Code § 17602).

Best practices include either:

- Sending an email with the required information after the initial order is completed.
- Including a hard-copy notice with the same information in the first shipment, if the contract is for a product.

### Cancellation Method

The business must provide a cancellation method that is:

- A toll-free telephone number.
- An email address.
- A postal address, if the business directly bills the consumer.
- Another cost-effective, timely, and easy-to-use mechanism for cancellation.

(Cal. Bus. & Prof. Code § 17602.)

In addition, California's law was updated in 2018 to require businesses to allow consumers to terminate the offer exclusively online if the offer was accepted online. The statute specifically states that this may "include a termination email formatted and provided by the business that the consumer can send to the business without additional information" (Cal. Bus. & Prof. Code § 17602).

A best practice for compliance with this provision would be to include a sentence in the automatic renewal terms that states, "You may cancel at any time by contacting [SELLER] at [PHONE NUMBER], [MAILING ADDRESS], or [EMAIL OR SPECIFIC WEBSITE ADDRESS FOR CANCELLATION]." The latter option must be included if the automatic renewal program was entered into online.

### Notice of Material Change

Under the California statute, before implementing any material change to the automatic renewal terms that were accepted by the consumer, the business must provide the consumer with both:

- Clear and conspicuous notice of the change.
- Information regarding how to cancel, in a form that is retainable by the consumer.

(Cal. Bus. & Prof. Code § 17602.)

A best practice would include sending all consumers participating in automatic renewal programs a notice via email or post in which the change in the automatic renewal terms is featured prominently and set apart in some manner from the rest of the notice (for example, bold text, colored text, boxed, or all caps).

### Penalties

The penalties for violating California's statute are particularly consumer friendly. For example, consumers may:

- Demand restitution of all funds paid for the product or service, including shipping (because a violation results in the good or service being deemed "an unconditional gift").
- Pursue "all available civil remedies" under state law that may apply, including injunctive relief and relief via California's consumer protection laws.

(Cal. Bus. & Prof. Code § 17604; see also Litigation and Settlements.)

It is important to note that a number of California courts have held that a lawsuit alleging violations of the automatic renewal law must be brought in conjunction with another California statute, based on a determination that California's automatic renewal law does not provide a private right of action (see Litigation and Settlements).

The statute also contains an exception allowing the business to avoid liability if it can demonstrate that it complied with the law in good faith, although the nuances of this defense have yet to be meaningfully litigated (see Good Faith Exception).

### DISTRICT OF COLUMBIA

DC enacted the Automatic Renewal Protections Act of 2018 (ARPA) (D.C. Code §§ 28A-201 to 28A-221). The ARPA is similar to the state laws requiring a business to notify its consumers of the automatic renewal within a certain period of time before the first automatic renewal occurs, but it also shares some similarities with the California law. The ARPA applies only to contracts of a certain length (12 months) that automatically renew for a term of one month or more (D.C. Code § 28A-203(a), (b)). A business making an offer to a consumer for these automatically renewing contracts must:

- Notify the consumer of the first automatic renewal (and annually thereafter) by:
  - first class mail;
  - email; or
  - another easily accessible form of communication, such as text message or a mobile phone application (if the consumer specifically authorizes the person to provide notice in that form).



- Send the notice to the consumer between 30 and 60 days before the cancellation deadline, and it must clearly and conspicuously disclose:
  - that the contract will automatically renew unless the consumer cancels;
  - the cost of the goods or services for the term of the renewal;
  - the deadline by which the consumer must cancel the contract to prevent the contract from automatically renewing; and
  - the methods by which the consumer may obtain details of the automatic renewal provision and cancellation procedures (including by contacting the business at a specified telephone number, email address or by another easily accessible form of communication).

(D.C. Code § 28A-203.)

If a business offers a free trial of a good or service lasting a month or more, merely notifying the consumer of the consumer's ability to cancel before being charged is not enough. ARPA differs from other state laws, including California, because a business must both:

- Notify the consumer of the automatic renewal between one and seven days before the expiration of the free trial period.
- Obtain the consumer's affirmative consent to the automatic renewal before charging the consumer.

(D.C. Code § 28A-203.)

This notification of between one and seven days effectively eliminates the notion of automatic renewal in DC. Any business offering nationwide or multi-state free trials lasting a month or more must take into account this special concern for any DC consumers (for example, consider having the free trial in DC last less than a month to avoid the ARPA requirements).

Like the California statute, the ARPA also provides a definition for clear and conspicuous (D.C. Code § 28A-202(1)). For more information on the ARPA, see State Automatic Renewal Laws Charts: District of Columbia ([W-020-5738](#)).

## NORTH DAKOTA

North Dakota recently enacted a law whose provisions apply to contracts entered after July 31, 2019. It applies generally to all sales or offers to sell merchandise for a specified period under an agreement containing a provision for automatic renewal with a few limited exceptions (N.D.C.C. § 51-37-03). No renewal period may exceed 12 months (N.D.C.C. § 51-37-02(5)). The North Dakota law is similar to the California law, ROSCA, and the District of Columbia law as it requires sellers to:

- Present the terms of the automatic renewal offer in a clear and conspicuous manner before a subscription or purchasing agreement is fulfilled and in proximity to the offer.
- Provide an acknowledgment that includes the terms of the automatic renewal offer and information regarding how to cancel in a manner which is capable of being retained by the buyer.
- Provide a cost-effective, timely, and simple procedure for cancellation which must be described in the required acknowledgment.
- When the renewal period is longer than six months, provide a clear and conspicuous written notice to the buyer (first-class mail, email, or other easily accessible form of communication) that includes the

procedure for canceling the contract before the contract renews or terminates.

(N.D.C.C. § 51-37-02(1).)

The North Dakota law also defines clear and conspicuous in a manner similar to California (N.D.C.C. § 51-37-01). It uniquely, however, requires agreements that contain a provision for automatic renewal for a period of **more than six months** at the end of the time period specified in the agreement to provide a clear and conspicuous written notice to the buyer stating the buyer may cancel the contract and avoid automatic renewal. The written notice:

- Must be provided by:
  - first-class mail;
  - electronic mail; or
  - any easily accessible form of communication, including text message or a mobile application, if the consumer specifically authorizes the person to provide notice in that form.
- Must include the procedure for canceling and must be given at least 30 days and not more than 60 days before the date on which the agreement will be renewed or the expiration of the period for cancellation.

(N.D.C.C. § 51-37-02(2).)

If there is a material change in the terms of an agreement that contains a provision for automatic renewal, the seller must provide the buyer with both:

- Clear and conspicuous notice of the material change.
- Information regarding how to cancel in a manner which is capable of being retained by the buyer.

(N.D.C.C. § 51-37-02(3).)

A seller may not make or submit any charge to a buyer's credit card, debit card, bank account, account with a third party, or other financial account, unless the person has both:

- Complied with the automatic renewal law requirements.
- Obtained the buyer's affirmative consent to the agreement containing the terms of the automatic renewal.

(N.D.C.C. § 51-37-02(4).)

Like in California, any violations of the automatic renewal law subjects a seller to not just action from the state attorney general, but also private individuals, who can seek not only restitution, but also recover costs, expenses, and reasonable attorneys' fees (N.D.C.C. §§ 51-37-05 and 51-37-06). Many of the best practices recommended for compliance under California law apply in North Dakota (see California).

For more information on North Dakota's automatic renewal law, see State Automatic Renewal Laws Charts: North Dakota ([W-020-5738](#)).

## OREGON

Oregon's statute is similar to California's in its application and is almost identical in its requirements and corresponding best practices for compliance (see California). The statute applies to any automatic renewal or continuous services offer to a consumer, and the requirements mirror the requirements of California, except that

there is no requirement to either:

- Clearly and conspicuously disclose a free trial in the terms of the offer.
- Provide for exclusive online termination for contracts entered into online.

(Or. Rev. Stat. § 646A.295.)

For more information on Oregon's automatic renewal law, see State Automatic Renewal Laws Charts: Oregon ([W-020-5738](#)).

## VERMONT

The Vermont statute, which is effective July 1, 2019, is similar to the DC statute in its application, but with a slight nuance. It applies to contracts between a consumer and seller with an initial term of one year or longer that automatically renews for a subsequent term that is longer than one month (9 V.S.A. § 2454a). Therefore, if the contract automatically renews for only one month or less after the initial term, the Vermont statute does **not** apply. The business making the offer to a consumer for these automatically renewing contracts must:

- **Clearly and conspicuously disclose the automatic renewal terms.** The automatic renewal terms must be in plain, unambiguous language in bold-faced type. Vermont is the only state to specifically require the use of bold-faced type.
- **Require opt-in and acceptance of the contract terms.** The consumer must affirmatively opt-in to the automatic renewal provision in addition to accepting the other terms of the parties' contract or terms and conditions. Vermont is the only state to require this second, separate opt-in solely for the automatic renewal terms. As a best practice, the seller should ensure that there is a separate check box for the automatic renewal terms distinct from any check box for the parties' contract or terms and conditions.
- **Provide written notice.** The seller must provide the consumer with written or electronic notice between 30 and 60 days before the earliest of the automatic renewal date, the termination date, or the date by which the consumer must provide notice to cancel the contract. The written or electronic notice must include:
  - the date that the contract will terminate, and a clear statement that the contract will renew automatically unless the consumer cancels the contract on or before the termination date;
  - the length and any additional terms of the renewal period;
  - the method or methods by which the consumer can cancel the contract; and
  - the contact information for the seller.

(9 V.S.A. § 2454a.)

A violation of the Vermont statute is considered an unfair and deceptive act in commerce in violation of Section 2453 of Vermont's Consumer Protection Act (9 V.S.A. § 2453).

For more information on Vermont's automatic renewal law, see State Automatic Renewal Laws Charts: Vermont ([W-020-5738](#)).

## VIRGINIA

The Virginia law is similar to the California statute in its application and almost identical to the California statute in its requirements and corresponding best practices for compliance (see California) (Va. Code Ann. §§ 59.1-207.45 to 59.1-207.49). The statute:

- Applies to any contracts for goods or services, or both with an automatic renewal or continuous service offer to a consumer.
- Mirrors the requirements of California, except that there is no requirement to provide for exclusive online termination for contracts entered into online.

Virginia, however, takes the penalties for violation of its statute a step further than California. Businesses in violation may be subject to both:

- Civil penalties (up to \$5,000 per violation).
- Damages under a private right of action from consumers.

(Va. Code Ann. § 59.1-207.49.)

Virginia also provides that a business is not subject to civil penalties or damages if the business makes a good faith effort to comply with the statute's requirements (see Good Faith Exception).

For more information on Virginia's automatic renewal law, see State Automatic Renewal Laws Charts: Virginia ([W-020-5738](#)).

## STATES WITH GENERAL AUTOMATIC RENEWAL LAWS

States with general automatic renewal laws fall into two categories:

- States that require disclosure of the automatic renewal terms with some additional requirements (see Disclosure with Some Additional Requirements; see also State Automatic Renewal Laws Charts: Connecticut and Hawaii ([W-020-5738](#))).
- States that require disclosure of the automatic renewal terms with no additional requirements (see Disclosure with No Additional Requirements; see also State Automatic Renewal Laws Charts: Illinois, Louisiana, and North Carolina ([W-020-5738](#))).

For each category, the states broadly regulate consumer contracts for goods or services, or both, for contracts that automatically renew for a period **of more than one month**. The seller must provide the consumer with clear and conspicuous written notice that the consumer may cancel the automatically renewing contract, and there are typically penalties for failing to comply.

## DISCLOSURE WITH SOME ADDITIONAL REQUIREMENTS

These automatic renewal laws:

- Apply generally to all consumer contracts.
- Require not only clear and conspicuous disclosure of automatic renewal terms, but also require the customer to be notified of the automatic renewal within a certain period of time before the first automatic renewal occurs.

An example of a state that requires disclosure with some additional requirements is Connecticut. It has different requirements for contracts that are over 180 days in length versus contracts that are under 180 days (Conn. Gen. Stat. Ann. § 42-126b(a)). For contracts that are over 180 days, the clear and conspicuous written notice must both:

- Include the procedure for cancellation.
- Be given to the consumer at least 14 days (but not more than 60 days) before the earlier of:
  - the date that the contract will be renewed; or
  - the expiration of the time period that the consumer is allowed to cancel.

For more information on Connecticut's automatic renewal law, see State Automatic Renewal Laws Charts: Connecticut ([W-020-5738](#)).

For another example of a state that requires disclosure with some additional requirements, see State Automatic Renewal Laws Charts: Hawaii ([W-020-5738](#)).

### DISCLOSURE WITH NO ADDITIONAL REQUIREMENTS

These automatic renewal laws similarly apply generally to all consumer contracts, but the seller must only clearly and conspicuously disclose the automatic renewal terms (including how to cancel). An example of a state that requires disclosure with no additional requirements is Illinois, which requires that the seller send the consumer a written notice clearly and conspicuously stating:

- That unless the consumer cancels the contract, it will automatically renew.
- The details about how the consumer may cancel the contract.

(815 ILCS 601/10.)

If a seller violates the automatic renewal laws in these states, the prescribed statutory penalties will typically be deemed either:

- A per se violation of the state's consumer protection statute.
- An unconditional gift to the consumer, meaning that the consumer will not be obligated to pay, or the seller will be required to refund amounts paid for the products or services after the date the seller is deemed to have violated the automatic renewal law.

For more on states that require disclosure, but impose no additional requirements, see State Automatic Renewal Laws Charts: Illinois, Louisiana, and North Carolina ([W-020-5738](#)).

### STATES WITH NARROW AUTOMATIC RENEWAL LAWS

States with narrow automatic renewal laws typically regulate a subset of contracts for goods or services, but a few regulate leases of personal or business property, which are generally outside the scope of this Note and broader than negative option plans. The following are examples of what states with narrow automatic renewal laws regulate:

- Home alarm products, which are regulated by Tennessee's law.
- Health club memberships, which are regulated by laws in California, Colorado, Iowa, Maryland, New Hampshire, South Carolina, and Pennsylvania (other states, like California, may also regulate health club memberships, but the automatic renewal provisions would be subject to the state's separate automatic renewal law).
- Dance studio contracts, which are regulated by Nevada's law.
- Service and maintenance contracts, which are regulated by laws in Florida, Georgia, Maine, New Mexico, New York, and Utah.
- Leases of property, either:
  - personal, which are regulated by laws in Arkansas, Missouri, and Rhode Island; or
  - business, which are regulated by Wisconsin's law.
- Other specific products or services, for example:
  - buyer's clubs, which are regulated by laws in Oklahoma; and
  - telecommunication contracts, which are regulated by laws in South Dakota.

The foregoing laws may have specific requirements, but they are only applicable to a particular good or service. For example:

- Some state's laws require that sellers in certain industries provide a right of rescission (right to cancel) within a certain number of days after the consumer enters the contract, like Colorado, Maryland, Nevada, and New Hampshire. For all states with this requirement, if the consumer wishes to exercise its right to rescind, the consumer must notify the seller in writing. Maryland and New Hampshire additionally require the seller to notify the consumer of the right to rescind in a boldface statement (of at least ten-point font).
- The narrowly-applicable automatic renewal laws in South Carolina and Georgia are drafted similarly to the states with general automatic renewal laws (see States with General Automatic Renewal Laws ([W-020-5738](#))). Each requires the seller to disclose the automatic renewal terms in a certain manner, with some acknowledgment from the consumer.
- Some states, including New Mexico, Georgia, and Utah, impose certain requirements on businesses in particular industries to provide notice to the consumer that the contract will automatically renew. A business must generally send notice to the consumer at least 30, but no more than 60 or 90 days, before the last day on which the consumer may give notice of intent to terminate.

For more information on individual states with narrow automatic renewal laws, see State Automatic Renewal Laws Charts.

### COMPLIANCE BEST PRACTICES

Companies offering automatic renewal contracts must tailor them to both:

- Minimum federal standards (see Regulatory and Legal Framework).
- The laws of the individual states in which they do business.

An overarching requirement imposed by both federal regulations and states with applicable automatic renewal laws is the need for clear and conspicuous language. For more information and best practices on:

- Making clear and conspicuous disclosures, see Practice Note, Advertising: Overview: Clear and Conspicuous Disclosures ([2-501-2799](#)).
- And any specific "clear and conspicuous" requirements in each applicable state, see State Automatic Renewal Laws Charts ([W-020-5738](#)), States with Extensive Automatic Renewal Laws, States with General Automatic Renewal Laws, and States with Narrow Automatic Renewal Laws.

Companies doing business across states must consider the strictest requirements in each, particularly if they are doing business in California (see California), the District of Columbia (see District of Columbia), North Dakota (see North Dakota), Oregon (see Oregon), Vermont (see Vermont), or Virginia (see Virginia). For some suggestions for best practices in these states, see States with Extensive Automatic Renewal Laws.

The laws of the individual states may spell out:

- What must be disclosed to the consumer.
- How consumer disclosures must be handled.
- At what point in the transaction the disclosures must be made.



Some states, like California and Oregon, further specify required cancellation procedures and disclosures (see California and Oregon). It is important for companies to stay apprised of and understand these ever-changing regulations because the penalties imposed for violations can be severe.

Companies should also consider including dispute resolution provisions, such as mandatory arbitration to the extent permitted by law, in their terms and conditions, including class waivers (see Standard Clause, Class Arbitration Waiver (US) ([3-518-9047](#)); see also Class Arbitration Waivers in the US: Case Tracker ([7-525-1136](#))). For more on arbitration in the US, see Practice Note, Understanding US Arbitration Law ([4-500-4468](#)). Some companies have had success in having automatic renewal lawsuits sent to arbitration pursuant to such clauses (see Litigation and Settlements).

Additional general information on best practices for negative option contracts can be found in the Practice Note, Positive Practices for Negative Option Features ([W-013-3440](#)) relating to:

- Terms and Conditions (see Practice Note, Positive Practices for Negative Option Features: Terms and Conditions ([W-013-3440](#))).
- Consent (see Practice Note, Positive Practices for Negative Option Features: Consent ([W-013-3440](#))).
- Confirmation (see Practice Note, Positive Practices for Negative Option Features: Confirmation ([W-013-3440](#))).
- Cancellation (see Practice Note, Positive Practices for Negative Option Features: Cancellation ([W-013-3440](#))).

## GOOD FAITH EXCEPTION

Several states' automatic renewal laws contain a "good faith" exception, which provides an affirmative defense to alleged violations if the company can show it complied with the statute in good faith (see, for example, State Automatic Renewal Laws Charts: California, District of Columbia, Florida, Illinois, Louisiana, North Carolina, and Wisconsin ([W-020-5738](#))).

To date, in California, attempts to raise the defense at the motion to dismiss stage have been denied as premature or improper (see, for example, *Jenkins v. j2 Global, Inc.*, 2014 WL 12687417, at \*5 (C.D. Cal. May 23, 2014); *Lopez v. Stages of Beauty, LLC*, 307 F. Supp. 3d 1058, 1073 (S.D. Cal. 2018); *Price v. Synapse Group, Inc.*, 2017 WL 3131700, at \*7 (S.D. Cal. Jul. 24, 2017)).

A California defendant did successfully use the defense at the motion for summary judgment stage to create a genuine issue of material fact regarding its good faith compliance, which the court relied on (in part) to deny plaintiff's motion for summary judgment (*Roz v. Nestle Waters N. Am., Inc.*, 2017 WL 6942661 (C.D. Cal. Dec. 6, 2017) (the defendant provided "evidence that it, in good faith communicated repeatedly with its customers. . . regarding the nature of their relationship, how to cancel, charges to their credit cards, and price changes")).

Beyond these few cases, however, the good faith exception generally has not been litigated. Therefore, it is unclear what a court would consider exculpatory "good faith compliance." In addition, the exception may create privilege issues, including potential waiver, to the extent a defendant may attempt to rely on the advice of counsel to demonstrate good faith compliance.

At this point in time, not enough case law exists on the good faith exception in the automatic renewal law context to provide sellers with a clear road map to successful use of the exception.

## LITIGATION AND SETTLEMENTS

Parties have most frequently litigated the newer automatic renewal laws in California. These suits have involved both governmental and consumer actions. The following are some of the more notable litigations and results:

- A number of companies have litigated and eventually settled automatic renewal lawsuits brought by consumers in California, often as class actions, including Apple, Guthy-Renker, LifeLock, Yahoo!, and McAfee. The settlements in these actions have typically run into the millions of dollars, often in the form of payments or vouchers sent to class members.
- Frequently led by the Santa Monica City Attorney's office, various California city and county prosecutors have obtained settlements and consent judgments in automatic renewal enforcement actions against companies such as Beachbody, eHarmony, Dropbox, J2 Global, and Guthy-Renker, with the companies agreeing to pay millions of dollars in penalties and restitution and committing to updating their website and sales practices.
- In one California state court case, a superior court judge explicitly held at the summary judgment stage that the defendant had fully complied with the automatic renewal law, a rare judgment on the merits in the automatic renewal law context (see *Colucci v. Pristine Bay LLC*, 2017 WL 8940281, at \*1 (Cal. Super. Aug. 30, 2017)).
- The FTC brought an enforcement action for violations of the FTC Act and ROSCA against online retailer AdoreMe, which ultimately agreed to pay \$1.38 million and revise its automatic renewal practices. The FTC brought a similar enforcement action against Urthbox (see *In the Matter of URTHBOX, INC.*) for allegedly failing to adequately disclose key terms of its "free trial" automatic renewal programs, and the San Francisco-based company agreed to pay \$100,000 to the Commission to compensate consumers deceived by the trial offers. For more on FTC enforcement, see 2019 WL 967861 (F.T.C.).

In addition, a number of California courts have held that California's automatic renewal law:

- Does **not** provide a private right of action (see, for example, *Johnson v. Pluralsight, LLC*, 728 F. App'x 674, 676 (9th Cir. 2018); *Lopez*, 307 F. Supp. 3d at 1065-69; *Roz*, 2017 WL 132853, at \*3-5; *Mayron v. Google*, 2016 WL 1059373, at \*2-4 (Cal. Super. Ct. Feb. 26, 2016)).
- Limits relief to California consumers (see, for example, *Wahl v. Yahoo! Inc.*, 2017 WL 4098884, at \*1 (N.D. Cal. Sept. 15, 2017) and *Noll v. eBay Inc.*, 2013 WL 2384250, at \*6 (N.D. Cal. May 30, 2013)). Other states' courts may hold similarly if their statute's language resembles California's.

While California courts have seen the vast majority of automatic renewal law litigation, other states' courts have adjudicated cases relating to automatically renewing contracts (for a list of cases, see 32 A.L.R.7th Art. 5). One prominent example is the 2014 Florida class-action lawsuit against Seaworld, where plaintiffs alleged that the automatically renewing contracts for annual park passes violated

the Electronic Funds Transfer Act (15 U.S.C. §§ 1693 to 1693r) (see *Herman v. SeaWorld Parks & Entm't, Inc.*, 2015 WL 12859433, at \*1 (M.D. Fla. Oct. 6, 2015)). The case was settled in June 2018 when class members received a pro rata share of an \$11.5 million settlement fund (after attorneys' fees and service awards are paid) (see 2018 WL 8619586 (M.D.Fla.)).

Some companies have had success in having courts apply arbitration agreements to automatic renewal disputes (see, for example, *Bleak v. Spotify USA, Inc.*, Case No. 3:13-cv-05653 (N.D. Cal. Apr. 25, 2014) (entire case compelled to arbitration); *Habelito v. Guthy-Renker LLC*, Case No. BC499558 (Cal. Super. 2016) (class limited to shorter time period based on institution of arbitration provision)). However, these efforts are not always successful (see, for example, *Ingalls v. Spotify USA, Inc.*, 2016 WL 6679561 (N.D. Cal. Nov. 14, 2016) (denying motion to compel arbitration in automatic renewal context)).

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# State Automatic Renewal Laws Charts

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A Chart of all state automatic renewal laws, including information on the types of contracts subject to the laws, key compliance requirements, definitions of “clear and conspicuous,” corresponding penalties, and any good faith exemptions.

These Charts, which are arranged alphabetically, list all states and the District of Columbia that have enacted automatic renewal laws primarily impacting either business-to-business or business-to-consumer commercial contracts. The Charts do **not** include state laws relating to restrictions around automatic renewals of:

- Real property (for example, Ark. Code Ann. § 4-86-109 and R.I. Gen. Laws § 6-13-14 (both regulating written leases of personal property)).
- Real property and rental-related services (for example, Okla. Stat. tit. 15, § 222 (relating to the rental of goods or rental-related services where all or substantially all of the contract terms are drafted by the provider of the goods or services)).

These Charts provide the following information:

- Contracts subject to law.
- Key requirements.

- Any definition of clear and conspicuous provided by the law. Absent a statutory definition, companies should look to FTC guidance on clear and conspicuous disclosures (see Practice Note, Advertising: Overview: Clear and Conspicuous Disclosures ([2-501-2799](#))). Also, under the Uniform Commercial Code, which only applies to contracts for the sale of goods, a term or clause is conspicuous when a reasonable person against whom it is to operate ought to have noticed it. Generally, the use of a larger font, all capital letters, or bold-face or other contrasting type or color satisfy this standard.
- Penalties for noncompliance.
- Good faith exceptions.

For an alternative PDF display listing all states in a row, click here.

For an overview of state automatic renewal laws discussing the differences between federal and state regulations and highlighting the distinctions in how states regulate these laws (extensively, generally, or narrowly), see Practice Note, State Automatic Renewal Laws ([W-018-7700](#)). The Practice Note also provides:

- Compliance best practices.
- A discussion on relying on the good faith exceptions provided by some state laws.
- A short summary on litigation and settlements in California concerning its automatic renewal law.

For information on federal regulations, see Practice Note, Positive Practices for Negative Option Features ([W-013-3440](#)).

## ARKANSAS

<b>Contracts Subject to Law</b>	Professional home security contracts.
<b>Statutory Authority</b>	Ark. Code Ann. § 4-86-106
<b>Key Requirements</b>	<p>Cannot state that the term will automatically be renewed for any additional period beyond the initial term of the contract.</p> <p>Cannot be renewed for any additional period beyond the initial term of the contract unless the person receiving the services affirmatively notifies the person offering the services that they wish to renew the contract.</p> <p>A provider and a person may enter into a contract that has a fixed initial term and successive, automatic monthly renewal terms if both:</p> <ul style="list-style-type: none"> <li>■ The contract conspicuously states that the person receiving the services has the right without additional cost or penalty to terminate the contract at the end of the initial term or the then current renewal.</li> <li>■ The person provides the provider of the services with notice of their intent to terminate by written notice at least 30 days before the expiration of the initial term or the then current renewal term.</li> </ul> <p>(Ark. Code Ann. § 4-86-106(a)-(c).)</p>
<b>Definition of “Clear and Conspicuous”</b>	Not defined.
<b>Penalties</b>	The person receiving the services may without additional cost or penalty immediately terminate the contract by giving a written termination notice to the provider and is not obligated to perform under the contract as renewed (Ark. Code Ann. § 4-86-106(e)).
<b>Good Faith Exception</b>	None.

## CALIFORNIA

<b>Contracts Subject to Law</b>	<p>Any plans or arrangements in which a paid subscription or purchasing agreement is automatically renewed at the end of a definite term for a subsequent term (Cal. Bus. &amp; Prof. Code § 17601(b)). The law does <b>not</b> apply to:</p> <ul style="list-style-type: none"> <li>■ Any service provided by a business or its affiliate where either the business or its affiliate is doing business under a franchise issued by a political subdivision of the state or a license, franchise, certificate, or other authorization issued by the California Public Utilities Commission (CPUC).</li> <li>■ Any service provided by a business or its affiliate where either the business or its affiliate is regulated by the CPUC, the Federal Communications Commission, or the Federal Energy Regulatory Commission.</li> <li>■ Any entity regulated by the Department of Insurance.</li> <li>■ Alarm company operators under Cal. Bus. &amp; Prof. Code § 7590.2.</li> <li>■ A bank, bank holding company, or the subsidiary or affiliate of either, or a credit union or other financial institution, licensed under state or federal law.</li> <li>■ Service contract sellers and service contract administrators regulated by the Bureau of Electronic and Appliance Repair under Cal. Bus. &amp; Prof. Code §§ 9855 to 9855.9).</li> </ul> <p>(Cal. Bus. &amp; Prof. Code § 17605.)</p> <p>The legislative intent is to end the practice of ongoing charging of consumer credit or debit cards or third party payment accounts without the consumers’ explicit consent for ongoing shipments of a product or ongoing deliveries of service (Cal. Bus. &amp; Prof. Code § 17600).</p> <p>Note: California also regulates health club memberships under Cal. Civ. Code §§ 1812.80 to 1812.98. However, the automatic renewal provisions are subject to the state’s general automatic renewal law.</p>
<b>Statutory Authority</b>	Cal. Bus. & Prof. Code §§ 17601 to 17606

**Key Requirements**

The business making the automatic renewal or continuous service offer must:

- Present the automatic renewal offer terms:
  - in a clear and conspicuous manner before the purchasing agreement is fulfilled and in visual proximity; or
  - in the case of an offer conveyed by voice, in temporal proximity, to the request for consent to the offer.
- If the offer also includes a free gift or trial, the offer must include a clear and conspicuous explanation of the price that will be charged after the trial ends or the manner in which the subscription or purchasing agreement pricing will change on conclusion of the trial.
- Obtain the consumer's affirmative consent to the agreement with the automatic renewal offer terms (including those made at a promotional or discounted price for a limited period of time) before charging:
  - the consumer's credit or debit card; or
  - the consumer's account with a third party;
- Provide an acknowledgment that includes:
  - the automatic renewal offer terms;
  - the cancellation policy; and
  - the information regarding how to cancel in a manner that is capable of being retained by the consumer.
- If the automatic renewal offer includes a free gift or trial, the business must also disclose in the acknowledgment how to cancel, and allow the consumer to cancel before the consumer pays for the goods or services.
- Provide a toll-free telephone number, email address, a postal address if the business directly bills the consumer, or another cost-effective, timely, and easy-to-use mechanism for cancellation.
- Allow the consumer who accepts an automatic renewal offer online to terminate exclusively online (a termination email template provided by the business is acceptable).
- Provide the consumer notice of any material change to the terms of the automatic renewal that has been accepted by a consumer via a clear and conspicuous notice, as well as information regarding how to cancel in a manner that is capable of being retained by the consumer.

(Cal. Bus. & Prof. Code § 17602.)

**Definition of "Clear and Conspicuous"**

Means:

- In larger type than the surrounding text.
- In contrasting type, font, or color to the surrounding text of the same size.
- Set off from the surrounding text of the same size by symbols or other marks in a manner that clearly calls attention to the language.

If it is an audio disclosure, clear and conspicuous means at a volume and cadence sufficient to be readily audible and understandable. (Cal. Bus. & Prof. Code § 17601(c).)

**Penalties**

If notice is not provided, then the products or services furnished to the recipient after the expiration of the period of time specified in the contract are deemed an unconditional gift (Cal. Bus. & Prof. Code § 17603).

While any violation is not a crime, all civil remedies that apply to a violation may be employed (Cal. Bus. & Prof. Code § 17604(a)).

**Good Faith Exception**

Yes. Businesses that comply with the provisions of this article in good faith are not subject to civil remedies (Cal. Bus. & Prof. Code § 17604(b)).



## COLORADO

<b>Contracts Subject to Law</b>	Health club services only.
<b>Statutory Authority</b>	Colo. Rev. Stat. Ann. § 6-1-704
<b>Key Requirements</b>	<p>Any advertisement or sale of a membership of a health club must:</p> <ul style="list-style-type: none"> <li>■ Allow the buyer of the membership to rescind the membership contract within three business days after receipt by the buyer of a copy of the contract.</li> <li>■ Provide the buyer conspicuous notice of the buyer's right to rescind the sale by either telegram, mail or hand delivery.</li> <li>■ Allow the buyer, or the estate of the buyer, to cancel the membership contract in five separate circumstances.</li> </ul> <p>Lifetime or perpetual memberships are not permitted. (Colo. Rev. Stat. Ann. § 6-1-704.)</p>
<b>Definition of "Clear and Conspicuous"</b>	Not defined.
<b>Penalties</b>	None listed.
<b>Good Faith Exception</b>	None.

## CONNECTICUT

<b>Contracts Subject to Law</b>	Any person, firm partnership, association, or corporation that sells or offers to sell any products or services used primarily for personal, family, or household purposes for a specified time under a written contract containing automatic renewal for a period of more than 31 days at the end of the period of time (Conn. Gen. Stat. Ann. § 42-126b).
<b>Statutory Authority</b>	Conn. Gen. Stat. Ann. § 42-126b
<b>Key Requirements</b>	<p>Seller must provide the recipient with a clear and conspicuous written notice that the recipient may cancel the contract.</p> <p>For contracts for over 180 days, the clear and conspicuous written notice must:</p> <ul style="list-style-type: none"> <li>■ Include the procedure for cancellation.</li> <li>■ Be given at least 14 days but not more than 60 days before the earlier date of: <ul style="list-style-type: none"> <li>• the date on which the contract will be renewed; or</li> <li>• the expiration of the time period for cancellation by the recipient.</li> </ul> </li> </ul> <p>Mailing of the written notice by US mail satisfies the notice requirements. If a contract is entered into electronically or the consumer agrees to receive notice electronically, then the written notice may be transmitted by electronic mail.</p> <p>For contracts under 180 days, the clear and conspicuous written notice must state that the recipient of the products or services may cancel the contract and the procedure for cancellation, provided the recipient is not required to exercise the right of cancellation more than 60 days before the expiration of the specified period of time. (Conn. Gen. Stat. Ann. § 42-126b.)</p>
<b>Definition of "Clear and Conspicuous"</b>	Not defined.
<b>Penalties</b>	If notice is not provided, then the products or services furnished to the recipient after the expiration of the period of time specified in the contract are deemed an unconditional gift (Conn. Gen. Stat. Ann. § 42-126b(a)).
<b>Good Faith Exception</b>	None.

## DISTRICT OF COLUMBIA

<b>Contracts Subject to Law</b>	<p>A person who sells a good or service to a consumer under a contract either:</p> <ul style="list-style-type: none"> <li>■ That will automatically renew at the end of a definite terms.</li> <li>■ With an initial term of 12 months or more, that will automatically renew for a term of one month or more.</li> </ul> <p>(D.C. Code § 28A-203(a), (b).)</p>
<b>Statutory Authority</b>	D.C. Code §§ 28A-201 to 28A-221

<b>Key Requirements</b>	<p>Sellers using automatic renewal provisions must clearly and conspicuously disclose the automatic renewal provision and cancellation procedure.</p> <p>For contracts with an initial term of 12 months or more, that will automatically renew for a term of one month or more, sellers must notify the consumer of the first automatic renewal and annually thereafter, by:</p> <ul style="list-style-type: none"> <li>■ First-class mail.</li> <li>■ Email.</li> <li>■ Another easily accessible form of communication, such as text message or a mobile phone application, if the consumer specifically authorizes the person to provide notice in that form.</li> </ul> <p>The required notice must:</p> <ul style="list-style-type: none"> <li>■ Be sent to the consumer no fewer than 30 days and no more than 60 days before the cancellation deadline.</li> <li>■ Disclose clearly and conspicuously: <ul style="list-style-type: none"> <li>• that unless the consumer cancels the contract, it will automatically renew;</li> <li>• the cost of the goods or services for the term of the renewal;</li> <li>• the deadline by which the consumer must cancel the contract; and</li> <li>• the methods by which the consumer may obtain details of the automatic renewal provision and cancellation procedures, including by contacting the seller at a specified telephone number, email address, or by another form of communication.</li> </ul> </li> </ul> <p>Additionally, if the person provides a consumer a free trial of a good or service with a term of one month or more and the contract will automatically renew at the end of the free trial period, the person must notify the consumer of the automatic renewal between one and seven days before the expiration of the free trial period, and obtain the consumer's affirmative consent to the automatic renewal before charging the consumer for the automatic renewal. (D.C. Code § 28A-203.)</p>
<b>Definition of "Clear and Conspicuous"</b>	<p>"Clearly and conspicuously" means in larger type than the surrounding text, in contrasting type, font, or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbols or other marks, in a manner that calls attention to the language and is visually proximate to any request for the consumer's consent (D.C. Code § 28A-202(1)).</p>
<b>Penalties</b>	<p>A violation of this law renders an automatic renewal provision void and terminates the contract at the end of the term in which the violation occurred. A violation of this law also is a violation of the District of Columbia Consumer Protection Procedures Act (D.C. Code § 28A-203(d)).</p>
<b>Good Faith Exception</b>	<p>Yes. A good faith exemption exists if a person demonstrates all of the following:</p> <ul style="list-style-type: none"> <li>■ The person has established and implemented written procedures to comply with this chapter.</li> <li>■ Any failure to comply with this chapter is the result of a good-faith mistake.</li> <li>■ Where a good-faith mistake has caused a failure to comply with this chapter, the person provides the consumer with a credit for all amounts billed to or a refund for all amounts paid by the consumer due to the mistaken renewal.</li> </ul> <p>(D.C. Code § 28A-203(d).)</p>

## FLORIDA

<b>Contracts Subject to Law</b>	<p>Any service contract that is automatically renewed for a period of more than one month if the renewal causes the service contract to be in effect more than six months after the day of the initiation of the service contract relating to:</p> <ul style="list-style-type: none"> <li>■ Service.</li> <li>■ Maintenance.</li> <li>■ Repair.</li> </ul> <p>(§ 501.165, Fla. Stat.)</p>
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<b>Statutory Authority</b>	§ 501.165, Fla. Stat.
<b>Key Requirements</b>	<p>A seller must:</p> <ul style="list-style-type: none"> <li>■ Disclose the automatic renewal provision clearly and conspicuously in the contract or contract offer.</li> <li>■ Provide the consumer with written or electronic notification of the automatic renewal provision no less than 30 days and no more than 60 days before the cancellation deadline if the contract is 12 months or more, and if it automatically renews for more than one month, then unless the consumer cancels the contract.</li> </ul> <p>Notification must disclose clearly and conspicuously:</p> <ul style="list-style-type: none"> <li>■ That unless the consumer cancels, the contract will automatically renew.</li> <li>■ The methods by which the consumer may obtain details of the automatic renewal provision and cancellation procedure, whether by: <ul style="list-style-type: none"> <li>• contacting the seller at a specified telephone number or address;</li> <li>• referring to the contract; or</li> <li>• any other method.</li> </ul> </li> </ul> <p>(§ 501.165, Fla. Stat.)</p>
<b>Definition of “Clear and Conspicuous”</b>	Not defined.
<b>Penalties</b>	<p>The seller must refund the money as of the date on which the seller is notified. However, the seller will not be in violation of this section if:</p> <ul style="list-style-type: none"> <li>■ The seller demonstrates that as part of the seller’s routine business practice, the seller has established and implemented written procedures to comply with this law and enforces compliance with these procedures.</li> <li>■ Any failure to comply is the result of error, and as part of the seller’s routine business practice, where an error has caused failure to comply, the unearned portion of the contract subject to the automatic renewal provision is refunded as of the date on which the seller is notified of the error.</li> </ul> <p>(§ 501.165(2)(c), Fla. Stat.)</p>
<b>Good Faith Exception</b>	<p>Yes. A good faith exception exists where the seller demonstrates all of the following:</p> <ul style="list-style-type: none"> <li>■ As part of the seller’s routine business practice, the seller has established and implemented written procedures to comply with this section and enforces compliance with the procedures.</li> <li>■ Any failure to comply with this subsection is the result of error.</li> <li>■ As part of the seller’s routine business practice, where an error has caused the failure to comply with this subsection, the unearned portion of the contract subject to the automatic renewal provision is refunded as of the date on which the seller is notified of the error.</li> </ul> <p>(§ 501.165(2)(c), Fla. Stat.)</p>

## GEORGIA

<b>Contracts Subject to Law</b>	Service contracts with automatic renewal provisions for more than one month if the renewal means the service contract is in effect more than six months after the date of initiation.
<b>Statutory Authority</b>	O.C.G.A. §§ 13-12-1 to 13-12-5
<b>Key Requirements</b>	<p>A seller must disclose the automatic renewal provision clearly and conspicuously in the contract or contract offer. If the service contract is for a period of 12 months or more, and if it automatically renews for more than one month, then unless the consumer cancels the contract, the seller must provide the consumer with written or electronic notification of the automatic renewal provision no less than 30 days or no more than 60 days before the cancellation deadline.</p> <p>The notification must disclose clearly and conspicuously:</p> <ul style="list-style-type: none"> <li>■ That unless the consumer cancels the contract, the contract will automatically renew.</li> <li>■ The methods by which the consumer may obtain details of the automatic renewal provision and cancellation procedure, including contacting the seller.</li> </ul> <p>(O.C.G.A. §§ 13-12-2 and 13-12-3.)</p>
<b>Definition of “Clear and Conspicuous”</b>	Not defined.
<b>Penalties</b>	A violation renders the automatic renewal provision of a contract void and unenforceable (O.C.G.A. § 13-12-5).
<b>Good Faith Exception</b>	None.

## HAWAII

<b>Contracts Subject to Law</b>	Service contracts for products or services to consumers (Haw. Rev. Stat. § 481-9.5(b)).
<b>Statutory Authority</b>	Haw. Rev. Stat. § 481-9.5
<b>Key Requirements</b>	<p>A person must clearly and conspicuously disclose for any consumer service contract that has a specified term of more than one month and an automatic renewal clause under which the contract will automatically renew for a specified term of more than one month unless the consumer cancels the contract, both:</p> <ul style="list-style-type: none"> <li>■ The automatic renewal clause.</li> <li>■ The procedure by which the consumer can cancel automatic renewal of the consumer contract.</li> </ul> <p>(Haw. Rev. Stat. § 481-9.5(a).)</p> <p>If the contract has a specified term of 12 months or more, and if the automatic renewal is for a term of more than one month, then seller must notify the consumer no less than 30 days and no more than 60 days before the date on which consumer must respond clearly and conspicuously:</p> <ul style="list-style-type: none"> <li>■ That the contract will automatically renew unless the consumer cancels the contract.</li> <li>■ How to cancel the contract.</li> <li>■ The deadline by which the consumer must respond to cancel the consumer contract and prevent automatic renewal.</li> </ul> <p>(Haw. Rev. Stat. § 481-9.5(b).)</p> <p>The notice must be sent no less than 30 days and no more than 60 days before the date on which consumer must respond.</p> <p>Electronic notice is allowed if transaction for sale was electronic or customer elects to receive electronic notice. (Haw. Rev. Stat. § 481-9.5.)</p>
<b>Definition of “Clear and Conspicuous”</b>	<p>Means:</p> <ul style="list-style-type: none"> <li>■ In larger type than the surrounding text.</li> <li>■ In contrasting type, font, or color to the surrounding text of the same size.</li> <li>■ Set off from the surrounding text of the same size by symbols or other marks in a manner that clearly calls attention to the language.</li> </ul> <p>In the case of an audio disclosure, it means in a volume and cadence sufficient to be readily audible and understandable (Haw. Rev. Stat. § 481-9.5(f)).</p>
<b>Penalties</b>	Any person who violates this section or who knowingly fails to cancel an automatic renewal contract on a consumer’s request is deemed to have engaged in an unfair method of competition and unfair or deceptive act or practice in the conduct of any trade or commerce within the meaning of Haw. Rev. Stat. § 480-2 (Haw. Rev. Stat. § 481-9.5(d)).
<b>Good Faith Exception</b>	None.

## ILLINOIS

<b>Contracts Subject to Law</b>	Any contract for products or services where the contract automatically renews unless the consumer cancels the contract.
<b>Statutory Authority</b>	815 ILCS 601/1 to 601/20
<b>Key Requirements</b>	<p>A contract must disclose the automatic renewal clause clearly and conspicuously in the contract, including the cancellation procedure.</p> <p>If the contract has a specified term of 12 months or more and the automatic renewal is for a term of more than one month, then the seller must notify the consumer in writing clearly and conspicuously:</p> <ul style="list-style-type: none"> <li>■ That unless the consumer cancels the contract it will automatically renew.</li> <li>■ Where the consumer can obtain details of the automatic renewal provision and cancellation procedure (for example, by contacting the business at a specified phone number or address or by referring to the contract).</li> </ul> <p>(815 ILCS 601/10.)</p>
<b>Definition of “Clear and Conspicuous”</b>	Not defined.

<b>Penalties</b>	A violation is considered an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act (815 ILCS 601/15).
<b>Good Faith Exception</b>	<p>Yes. A person, firm, partnership, association, or corporation will not be liable for a violation of the law or the Consumer Fraud and Deceptive Business Practices Act if the person, firm, partnership, association, or corporation demonstrates that, as part of its routine business practice, it does all of the following:</p> <ul style="list-style-type: none"> <li>■ It has established and implemented written procedures to comply with the law and enforces compliance with the procedures.</li> <li>■ Any failure to comply with the law is the result of error.</li> <li>■ Where an error has caused a failure to comply with the law, it provides a full refund or credit for all amounts billed to or paid by the consumer from the date of the renewal until the date of the termination of the account, or the date of the subsequent notice of renewal, whichever occurs first.</li> </ul> <p>(815 ILCS 601/10(c).)</p>

## IOWA

<b>Contracts Subject to Law</b>	A physical exercise club contract.
<b>Statutory Authority</b>	Iowa Code Ann. § 552.8
<b>Key Requirements</b>	A physical exercise club contract cannot contain an automatic renewal clause (Iowa Code Ann. § 552.8).
<b>Definition of “Clear and Conspicuous”</b>	Not applicable.
<b>Penalties</b>	None listed.
<b>Good Faith Exception</b>	None.

## LOUISIANA

<b>Contracts Subject to Law</b>	Any contract for products or services where the contract automatically renews unless the consumer cancels the contract.
<b>Statutory Authority</b>	La. R.S. 9:2716
<b>Key Requirements</b>	<p>The seller must disclose clearly and conspicuously how to cancel the contract either:</p> <ul style="list-style-type: none"> <li>■ In the initial contract or contract offer.</li> <li>■ With the delivery of the products or services.</li> </ul> <p>(La. R.S. 9:2716.)</p>
<b>Definition of “Clear and Conspicuous”</b>	Not defined.
<b>Penalties</b>	<p>Any contract illegally automatically renewed reverts to a 30-day renewal contract with the same terms (La. R.S. 9:2716(E)).</p> <p>A seller is not in violation if it demonstrates that:</p> <ul style="list-style-type: none"> <li>■ As part of seller’s routine business practice, the seller has established and implemented written procedures to comply with this law and enforces compliance with the procedures.</li> <li>■ Any failure to comply is the result of error, and as part of seller’s routine business practice, where an error has caused failure to comply, the seller provides a full refund or credit for all amounts billed or to be paid by the consumer from: <ul style="list-style-type: none"> <li>• the date of the renewal until the date of the termination of the contract; or</li> <li>• the date of the subsequent notice of renewal, whichever occurs first.</li> </ul> </li> </ul> <p>(La. R.S. 9:2716(C)(3).)</p>
<b>Good Faith Exception</b>	<p>Yes. A good faith exemption exists where a person, firm, or corporation demonstrates all of the following:</p> <ul style="list-style-type: none"> <li>■ It has established and implemented written procedures to comply with this law and enforces compliance with the procedures.</li> <li>■ Any failure to comply with this law is the result of error.</li> <li>■ When an error has caused the failure to comply with this law, it, as a matter of routine business practice, provides a full refund or credit for all amounts billed to or paid by the consumer from the date of the renewal until the date of the termination of the contract, or the date of the subsequent notice of renewal, whichever occurs first.</li> </ul> <p>(La. R.S. 9:2716(C).)</p>



## MAINE

<b>Contracts Subject to Law</b>	Contracts for the provision of small containerized solid waste hauling service to customers located in Maine.
<b>Statutory Authority</b>	38 M.R.S.A. § 2112
<b>Key Requirements</b>	<p>Contractors must notify the customer by mail between 60 and 90 days before the contract termination date that if the customer does not, within 60 days of receipt of the contractor's notification, notify the contractor of the customer's intention to terminate the contract, the contract will be automatically renewed. Notice of termination by the customer may be by any reasonable method, including:</p> <ul style="list-style-type: none"> <li>■ Mail.</li> <li>■ Electronically transmitted facsimile.</li> <li>■ Email.</li> </ul> <p>A contract may not contain terms that require a customer to provide notice of termination before the time frames provided. (38 M.R.S.A. § 2112.)</p>
<b>Definition of "Clear and Conspicuous"</b>	Not defined.
<b>Penalties</b>	None listed.
<b>Good Faith Exception</b>	None.

## MARYLAND

<b>Contracts Subject to Law</b>	Health club services only.
<b>Statutory Authority</b>	Md. Code Ann., Com. Law § 14-12B-06
<b>Key Requirements</b>	<p>A health club services agreement may not contain an automatic renewal clause, unless the agreement provides for a renewal option for continued membership which must be accepted by the buyer.</p> <p>A buyer may cancel a health club services agreement within three business days after receipt of a copy of the agreement after notifying the health club in writing.</p> <p>Each contract for health club services must conspicuously disclose under the heading "Notice of Consumer Rights":</p> <ul style="list-style-type: none"> <li>■ The seller's health club registration number with the Division.</li> <li>■ A description of whether the seller is bonded and the amount, or an explanation of why not bonded.</li> <li>■ The buyer's right to cancel as defined in the section.</li> <li>■ The buyer's rights in the event of a disability or temporary closing.</li> </ul> <p>(Md. Code Ann., Com. Law § 14-12B-06.)</p>
<b>Definition of "Clear and Conspicuous"</b>	Not defined.
<b>Penalties</b>	None listed.
<b>Good Faith Exception</b>	None.

## MISSOURI

<b>Contracts Subject to Law</b>	Contracts for buyers' clubs (discount buying organizations).
<b>Statutory Authority</b>	§ 407.675, RSMo
<b>Key Requirements</b>	No contract can contain an automatic renewal clause (although the agreement may provide for the buyer to exercise a renewal) (§ 407.675, RSMo).
<b>Definition of "Clear and Conspicuous"</b>	Not applicable.
<b>Penalties</b>	Penalties and civil actions (§ 407.679, RSMo).
<b>Good Faith Exception</b>	None.

## MONTANA

<b>Contracts Subject to Law</b>	Contracts for utility, transmission services, energy services, metered service, billing service, or others involved in the sale of natural gas.
<b>Statutory Authority</b>	Mont. Admin. R. 38.5.6004(9-10)
<b>Key Requirements</b>	<p>At least 60 days before the expiration date of the customer's service contract, the supplier must provide written notice to the customer of either:</p> <ul style="list-style-type: none"> <li>■ The existence and operation of an automatic renewal provision present in the customer's contract.</li> <li>■ The need for the customer to affirmatively renew to retain service from the supplier at the end of the contract term.</li> </ul> <p>If the service contract contains an automatic renewal provision, the supplier may not change the terms and conditions of the contract on the renewal date unless the customer has been provided with written notice of:</p> <ul style="list-style-type: none"> <li>■ The changes at least 60 days in advance of their effective date.</li> <li>■ Their right to change suppliers rather than renew the contract.</li> </ul> <p>With the written notice of contract changes, the supplier must provide the customer a letter of authorization approving the contract changes to return to the supplier. Without a signed letter of authorization, the supplier may not renew the contract. (Mont. Admin. R. 38.5.6004(9-10).)</p>
<b>Definition of "Clear and Conspicuous"</b>	Not defined.
<b>Penalties</b>	None listed.
<b>Good Faith Exception</b>	None.

## NEVADA

<b>Contracts Subject to Law</b>	Dance studio contracts or health club memberships only.
<b>Statutory Authority</b>	NRS 598.940 to 598.966
<b>Key Requirements</b>	Any contract between a buyer and a dance studio or health club must specify the term of the membership and may not include automatic renewal provisions. A buyer entering into a contract with a dance studio or health club may cancel a contract within three business days after they receive a copy of the contract by notifying the studio or club in writing. (NRS 598.948 and 598.950.)
<b>Definition of "Clear and Conspicuous"</b>	Not defined.
<b>Penalties</b>	Violation is a deceptive practice (NRS 598.966).
<b>Good Faith Exception</b>	None.

## NEW HAMPSHIRE

<b>Contracts Subject to Law</b>	Health club memberships only.
<b>Statutory Authority</b>	N.H. RSA § 358-I:5
<b>Key Requirements</b>	<p>Buyers of prepaid memberships for health clubs may cancel memberships within three business days by notifying the health club in writing. Each prepaid contract must contain in at least ten-point boldface type a statement in substantially the following form: "YOU MAY CANCEL THIS TRANSACTION IN WRITING ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION."</p> <p>Automatic renewal is prohibited for more than one month term; contract for health club services may not be for more than one year.</p> <p>Any renewal must be accepted in writing by a buyer, and may not be renewed more than 90 days before the contract's expiration date.</p> <p>Buyers may cancel month-to-month memberships with 30 days written notice. (N.H. RSA § 358-I:5.)</p>
<b>Definition of "Clear and Conspicuous"</b>	Means ten-point boldface type (all caps) (N.H. RSA § 358-I:5).
<b>Penalties</b>	Violations are unfair or deceptive acts or practices (N.H. RSA § 358-A:2).
<b>Good Faith Exception</b>	None.

## NEW MEXICO

<b>Contracts Subject to Law</b>	Service contracts (for service, maintenance, or repair) that contain automatic renewal clauses.
<b>Statutory Authority</b>	N.M. Admin. Code 12.2.11
<b>Key Requirements</b>	<p>It is an unfair or deceptive trade practice for any consumer service contract to contain an automatic renewal provision unless the contract provision:</p> <ul style="list-style-type: none"> <li>■ Is set out in a clear and conspicuous manner in at least ten-point type.</li> <li>■ Includes: <ul style="list-style-type: none"> <li>• the notice requirements and specific procedure by which the consumer may cancel the contract at the end of the initial contract term; and</li> <li>• the terms of the automatic renewal in the event that notice of cancellation is not given at the end of the initial contract term.</li> </ul> </li> </ul> <p>(N.M. Admin. Code 12.2.11.8(A).)</p> <p>It is an unfair or deceptive trade practice for any consumer service contract to contain an automatic renewal provision unless the seller provides the consumer written notice before either:</p> <ul style="list-style-type: none"> <li>■ The end of the initial term of the contract.</li> <li>■ The end of any renewal term of the contract consistent with N.M. Admin. Code 12.2.11.8(C).</li> </ul> <p>(N.M. Admin. Code 12.2.11.8(B).)</p> <p>It is an unfair and deceptive trade practice for any service contract that contains an automatic renewal provision to fail to:</p> <ul style="list-style-type: none"> <li>■ Provide written notice to the consumer specifying the procedure by which the consumer may cancel the contract.</li> <li>■ Set out in a clear and conspicuous manner, in at least ten-point type, and served on the consumer either by certified mail or on the first page of a monthly statement at least 30 days before the last day on which the consumer may give notice of the consumer's intention to terminate the contract, but not sooner than 60 days before the last day on which the consumer may give notice.</li> <li>■ Allow a minimum of 30 calendar days after the receipt of the seller's notice under N.M. Admin. Code 12.2.11.8(C)(1) for the consumer to give notice of the consumer's intent to terminate the contract at the end of the initial term or at the end of any additional renewal term.</li> <li>■ Honor a written notice sent via fax, US mail, email, or any other means on which a consumer can reasonably rely to deliver the notice and postmarked, time stamped or otherwise electronically date stamped within the 30 calendar days provided for the consumer to give notice.</li> <li>■ Fail to honor a written notice timely sent, mailed, emailed or otherwise transmitted in a manner on which the consumer can reasonably rely to deliver the notice but received by the seller after the expiration of the notice period.</li> <li>■ Allow termination of the contract at the end of the initial term or at the end of any additional renewal term without additional cost or penalty.</li> </ul> <p>(N.M. Admin. Code 12.2.11.8(C).)</p>
<b>Definition of "Clear and Conspicuous"</b>	At least ten-point type (N.M. Admin. Code 12.2.11.8).
<b>Penalties</b>	Violations are unfair or deceptive acts or practices (N.M. Admin. Code 12.2.11.8).
<b>Good Faith Exception</b>	None.

## NEW YORK

<b>Contracts Subject to Law</b>	Contracts for service, maintenance, or repair to or for any real or personal property with automatic renewal periods greater than one month.
<b>Statutory Authority</b>	N.Y. Gen. Oblig. Law § 5-903
<b>Key Requirements</b>	<p>A contract cannot state that the term is renewed for a specified additional period unless the person furnishing the service, maintenance, or repair, at least 15 days and not more than 30 days before the time specified for serving the notice, gives to the contract party written notice, served personally, or by certified mail, calling the attention of that person to the existence of the provision in the contract. However, these requirements do <b>not</b> apply to a contract in which the automatic renewal period specified is one month or less. (N.Y. Gen. Oblig. Law § 5-903.)</p>
<b>Definition of "Clear and Conspicuous"</b>	Not defined.
<b>Penalties</b>	None listed.
<b>Good Faith Exception</b>	None.

## NORTH CAROLINA

<b>Contracts Subject to Law</b>	Sale or lease of products or services to a consumer where the contract automatically renews.
<b>Statutory Authority</b>	N.C.G.S. § 75-41
<b>Key Requirements</b>	Contract must disclose clearly and conspicuously how to cancel the contract in the initial contract, contract offer, or with delivery of products or services (N.C.G.S. § 75-41).
<b>Definition of “Clear and Conspicuous”</b>	Not defined.
<b>Penalties</b>	A violation of this section renders the automatic renewal clause void and unenforceable (N.C.G.S. § 75-41(e)).
<b>Good Faith Exception</b>	<p>Yes. A good faith exception exists where a person demonstrates that all of the following are its routine business practice:</p> <ul style="list-style-type: none"> <li>■ The person has established and implemented written procedures to comply with this section and enforces compliance with the procedures.</li> <li>■ Any failure to comply with this law is the result of error.</li> <li>■ Where an error has caused the failure to comply with this law, the person provides a full refund or credit for all amounts billed to or paid by the consumer from the date of the renewal until the date of the termination of the contract, or the date of the subsequent notice of renewal, whichever occurs first.</li> </ul> <p>(N.C.G.S. § 75-41(c).)</p>

## NORTH DAKOTA

<b>Contracts Subject to Law</b>	<p>Sale or offer to sell merchandise for a specified period under an agreement containing a provision for automatic renewal. Applies to contracts entered into after July 31, 2019. It does not apply to contracts relating to:</p> <ul style="list-style-type: none"> <li>■ The sale of insurance.</li> <li>■ The sale of public utilities.</li> <li>■ A bank, bank holding company, credit union, or other financial institution or trust company.</li> </ul> <p>(N.D.C.C. § 51-37-03.)</p>
<b>Statutory Authority</b>	N.D.C.C. §§ 51-37-01 to 51-37-06
<b>Key Requirements</b>	<p>A person that sells or offers to sell merchandise for a specified period under an agreement containing a provision for automatic renewal must do all of the following:</p> <ul style="list-style-type: none"> <li>■ Present the terms of the automatic renewal offer in a clear and conspicuous manner before a subscription or purchasing agreement is fulfilled and in proximity to the offer.</li> <li>■ Provide an acknowledgment that includes the terms of the automatic renewal offer and information regarding how to cancel in a manner which is capable of being retained by the buyer.</li> <li>■ Provide a cost-effective, timely, and simple procedure for cancellation which must be described in the required acknowledgment.</li> </ul> <p>A person that sells or offers to sell merchandise for a specified period under an agreement that contains a provision for automatic renewal for a period of more than six months at the end of the time period specified in the agreement must provide a clear and conspicuous written notice to the buyer stating the buyer may cancel the contract and avoid automatic renewal. The written notice must:</p> <ul style="list-style-type: none"> <li>■ Be provided by: <ul style="list-style-type: none"> <li>• first-class mail;</li> <li>• electronic mail; or</li> <li>• any easily accessible form of communication, including text message or a mobile application, if the consumer specifically authorizes the person to provide notice in that form.</li> </ul> </li> <li>■ Include the procedure for canceling and must be given at least 30 days and not more than 60 days before the date on which the agreement will be renewed or the expiration of the period for cancellation.</li> </ul>

	<p>If there is a material change in the terms of an agreement that contains a provision for automatic renewal, the seller must provide the buyer with both:</p> <ul style="list-style-type: none"> <li>■ Clear and conspicuous notice of the material change.</li> <li>■ Information regarding how to cancel in a manner which the buyer can retain.</li> </ul> <p>A person that sells or offers to sell merchandise for a specified period under an agreement that contains a provision for automatic renewal may not make or submit any charge to a buyer's credit card, debit card, bank account, account with a third party, or other financial account, unless the person has complied with the automatic renewal law requirements and obtained the buyer's affirmative consent to the agreement containing the terms of the automatic renewal.</p> <p>The renewal period in a provision for automatic renewal of an agreement for sale of merchandise may not exceed 12 months. (N.D.C.C. § 51-37-02.)</p>
<b>Definition of "Clear and Conspicuous"</b>	<p>Means in any of the following:</p> <ul style="list-style-type: none"> <li>■ A larger type than the surrounding text.</li> <li>■ In contrasting type, font, or color to the surrounding text of the same size.</li> <li>■ Set off from the surrounding text of the same size or symbols or other marks, in a manner that clearly calls attention to the language and makes the language readily apparent, readable, and understandable to the person to which the language is disclosed.</li> </ul> <p>In the case of an audio disclosure, "clear and conspicuous" means in a volume and cadence sufficient to be readily audible and understandable. A statement that contradicts or is inconsistent with any other information with which the statement is presented is not clear and conspicuous. (N.D.C.C. § 51-37-01.)</p>
<b>Penalties</b>	<p>Enforceable by both:</p> <ul style="list-style-type: none"> <li>■ The Attorney General, who has the powers provide under Chapter 51-15 (N.D.C.C. §§ 51-15-01 to 51-15-11) relating to unlawful sales or advertising practices, which includes injunctive relief and civil penalties.</li> <li>■ Private parties (consumers) may seek injunctive relief and restitution. They may also recover costs, expenses, and reasonable attorneys' fees.</li> </ul> <p>(N.D.C.C. §§ 51-37-05 and 51-37-06.)</p> <p>In addition, any agreement for sale of merchandise in violation of the automatic renewal law is unenforceable and void. If a person sends merchandise as a result of an automatic renewal of an agreement without complying with the automatic renewal requirements or sends merchandise after a buyer undertook an affirmative act to cancel or otherwise avoid charges, the merchandise is considered to be an unconditional gift to the buyer who may dispose of the gift in any manner the buyer sees fit without any obligation to the person. (N.D.C.C. § 51-37-04.)</p>
<b>Good Faith Exception</b>	None.

## OREGON

<b>Contracts Subject to Law</b>	<p>Contracts involving an automatic renewal or continuous offer to a consumer. The following are exempt from the requirements:</p> <ul style="list-style-type: none"> <li>■ A person that provides a service under a franchise issued by a political subdivision of the state or a license, franchise, certificate, or other authorization issued by the Oregon Public Utility Commission (PUC).</li> <li>■ A person that provides a service regulated by the PUC, the <b>FCC</b>, or the Federal Energy Regulatory Commission.</li> <li>■ A person regulated by the Department of Consumer and Business Services under the Insurance Code.</li> <li>■ A bank, bank holding company, or the subsidiary or affiliate of either, or a credit union or other financial institution or trust company as those terms are defined in Or. Rev. Stat. § 706.008, that is licensed under state or federal law.</li> <li>■ A person that is regulated as a service contract seller under Or. Rev. Stat. § 646A.150 to 646A.172.</li> <li>■ A consumer finance company licensed under Or. Rev. Stat. Chapter 725.</li> <li>■ A person that provides direct-to-home satellite services subject to regulation by the FCC.</li> </ul> <p>(Or. Rev. Stat. § 646A.295.)</p>
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**Statutory Authority**

Or. Rev. Stat. §§ 646A.292 to 646A.295

**Key Requirements**

It is illegal for a person that makes an automatic renewal or continuous service offer to a consumer to do any of the following:

- Fail to present the automatic renewal offer terms or continuous service offer terms in a clear and conspicuous manner before a subscription or purchasing agreement is fulfilled and:
  - in visual proximity; or
  - in the case of an offer conveyed by voice, in temporal proximity, to the request for consent to the offer.
- Charge the consumer's credit or debit card or payment account with a third party for an automatic renewal or continuous service without first obtaining the consumer's affirmative consent to the agreement containing the automatic renewal offer terms or continuous service offer terms.
- Fail to provide an acknowledgment that includes the automatic renewal offer terms or continuous service offer terms and information regarding how to cancel in a manner that is capable of being retained by the consumer. If the offer includes a free trial, the person must also disclose in the acknowledgment how to cancel and allow the consumer to cancel before the consumer pays for the goods or services.

A person making automatic renewal or continuous service offers must provide the following unless there is another cost-effective, timely and easy-to-use mechanism for cancellation that must be described in the required acknowledgment:

- A toll-free telephone number.
- An electronic mail address.
- A post-office address only when the person directly bills the consumer.

In the case of a material change in the terms of the automatic renewal or continuous service offer that has been accepted by a consumer, the person must provide the consumer both with:

- A clear and conspicuous notice of the material change.
- Information regarding how to cancel in a manner that is capable of being retained by the consumer.

With a few exceptions, a person must generally meet all of these requirements before the completion of the initial order for the automatic renewal or continuous service. (Or. Rev. Stat. § 646A.295.)

**Definition of "Clear and Conspicuous"**

Means any of the following:

- In larger type than the surrounding text.
- In contrasting type, font or color to the surrounding text of the same size.
- Set off from the surrounding text of the same size by symbols or other marks, in a manner that clearly calls attention to the language.
- In the case of an audio disclosure, means in a volume and cadence sufficient to be readily audible and understandable.

(Or. Rev. Stat. § 646A.293(2).)

**Penalties**

None listed.

**Good Faith Exception**

None.

**PENNSYLVANIA****Contracts Subject to Law**

Health club contracts only.

**Statutory Authority**

73 P.S. § 2164

**Key Requirements**

Maximum term of a health club contract is 36 months and it cannot contain an automatic renewal clause, unless the contract provides for a renewal option for continued membership which must be affirmatively accepted by the buyer at the expiration of each contract term (73 P.S. § 2164).

**Definition of "Clear and Conspicuous"**

Not defined.

**Penalties**

A violation is considered a violation of the Unfair Trade Practices and Consumer Protection Law (73 P.S. § 2175(a)).

**Good Faith Exception**

None.

## SOUTH CAROLINA

<b>Contracts Subject to Law</b>	Written contracts for physical fitness services with automatic renewal options.
<b>Statutory Authority</b>	S.C. Code Ann. § 44-79-60
<b>Key Requirements</b>	<p>Contracts for physical fitness services may automatically renew, but for no longer than one month, and to be enforceable must be:</p> <ul style="list-style-type: none"> <li>■ Disclosed in bold type of at least 14-point font on the front page of the contract.</li> <li>■ Initialed by the customer.</li> </ul> <p>The customer has the ability to opt-in to the automatic renewal provision at the time the initial contract is executed by initialing an opt-in provision. Near the expiration of the initial contract, the facility must notify the customer in writing at the customer's last known address of the automatic renewal option which the customer selected at the time the initial contract was executed. Price may not increase or decrease in an automatically renewed contract without written notice to the customer of at least 30 but not more than 60 days before the effective date of the change in price.</p> <p>The contract must also state that the cancellation of the contract voids the automatic renewal provision. (S.C. Code Ann. § 44-79-60.)</p>
<b>Definition of "Clear and Conspicuous"</b>	Not defined, but requires bold type of at least 14-point font (S.C. Code Ann. § 44-79-60).
<b>Penalties</b>	None listed.
<b>Good Faith Exception</b>	None.

## SOUTH DAKOTA

<b>Contracts Subject to Law</b>	Automatic renewal provisions in telecommunications contracts that have a term of one year or more and that automatically renew for a renewal term greater than 60 days.
<b>Statutory Authority</b>	SDCL 49-31-116
<b>Key Requirements</b>	<p>A provider must give prior written notice to the subscriber of the action that the subscriber must take to avoid automatic renewal not less than 30 and not more than 60 days before the date of the required action. The notice must inform the subscriber in clear, plain, and conspicuous language:</p> <ul style="list-style-type: none"> <li>■ What action the subscriber must take to avoid renewal.</li> <li>■ The date by which the subscriber must act.</li> </ul> <p>(SDCL 49-31-116.)</p>
<b>Definition of "Clear and Conspicuous"</b>	Not defined
<b>Penalties</b>	<p>If the company fails to give the required notice:</p> <ul style="list-style-type: none"> <li>■ The automatic renewal provision may not be enforced against the subscriber.</li> <li>■ The subscriber may terminate the contract at will following expiration of the original term without incurring any liability or penalty for early termination.</li> </ul> <p>(SDCL 49-31-116.)</p>
<b>Good Faith Exception</b>	None.

## TENNESSEE

<b>Contracts Subject to Law</b>	Contracts for alarm systems contractor and homeowner or renter with automatic renewal clause.
<b>Statutory Authority</b>	T.C.A. § 62-32-325
<b>Key Requirements</b>	A contract between an alarm systems contractor and any homeowner or renter for alarm services may not automatically renew for a period more than one year. Any party to the contract who is being relocated to a hospital, nursing home, or assisted living facility may cancel the contract by giving 30 days' written notice to the alarms system contractor. (T.C.A. § 62-32-325.)
<b>Definition of "Clear and Conspicuous"</b>	Not defined.

<b>Penalties</b>	<p>The state board for licensing alarm systems contractors may:</p> <ul style="list-style-type: none"> <li>■ When it deems appropriate, seek civil remedies at law or equity to restrain or enjoin any unauthorized practice or other violation of this part.</li> <li>■ Impose a civil penalty of no more than \$5,000 against any person who violates any provision of this law or any rule of the board adopted under this law. In determining the amount of any penalty, the board considers the degree and extent of harm caused by the violation.</li> </ul> <p>A violation of this law or any rule lawfully promulgated under this law is a Class B misdemeanor subject to fine only. (T.C.A. § 62-32-320.)</p>
<b>Good Faith Exception</b>	None.

## UTAH

<b>Contracts Subject to Law</b>	Service contracts (service, maintenance, or repair in connection with real property or benefit to real property) with automatic renewal provisions for one or more specified period if the renewal causes the contract to be in effect more than six months after initiation; and the renewal is effective unless the consumer gives notice of consumer's intention to terminate.
<b>Statutory Authority</b>	Utah Code §§ 15-10-201 and 15-10-202
<b>Key Requirements</b>	<p>For service contracts that automatically renew for periods greater than 12 months, a seller must provide written notice of an automatic renewal provision prominently displayed on the first page of the service contract, as well as written notice directly to the consumer:</p> <ul style="list-style-type: none"> <li>■ Personally.</li> <li>■ By certified mail.</li> <li>■ Prominently displayed on the first page of a monthly statement.</li> </ul> <p>The written notice must be provided no later than 30 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract and no sooner than 90 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract. (Utah Code § 15-10-201.)</p>
<b>Definition of "Clear and Conspicuous"</b>	None stated, but notice must be written in clear and understandable language and printed in an easy-to-read type size and style (Utah Code § 15-10-201).
<b>Penalties</b>	The automatic renewal provision is void and unconscionable as a matter of public policy and the service contract must automatically renew on a month-to-month basis (Utah Code § 15-10-202).
<b>Good Faith Exception</b>	None.

## VERMONT

<b>Contracts Subject to Law</b>	A contract between a consumer and a seller or a lessor with an initial term of one year or longer that renews for a subsequent term that is longer than one month.
<b>Statutory Authority</b>	9 V.S.A. § 2454a
<b>Key Requirements</b>	<p>A contract cannot renew automatically unless:</p> <ul style="list-style-type: none"> <li>■ The contract states clearly and conspicuously the terms of the automatic renewal provision.</li> <li>■ In addition to accepting the contract, the consumer takes an affirmative action to opt in to the automatic renewal provision.</li> <li>■ If the consumer opts in to the automatic renewal provision, the seller or lessor provides a written or electronic notice to the consumer: <ul style="list-style-type: none"> <li>• no less than 30 days and not more than 60 days before the earliest of the automatic renewal date, the termination date, or the date by which the consumer must provide notice to cancel the contract; and</li> <li>• that includes the date the contract will terminate and a clear statement that the contract will renew automatically unless the consumer cancels the contract on or before the termination date, the length of any additional terms of the renewal period, one or more methods by which the consumer can cancel the contract, and contact information for the seller or lessor.</li> </ul> </li> </ul> <p>(9 V.S.A. § 2454a.)</p>

<b>Definition of “Clear and Conspicuous”</b>	None stated, but notice must be written in plain, unambiguous language in bold-face type (9 V.S.A. § 2454a(a)(1)).
<b>Penalties</b>	A person who violates the provisions commits an unfair and deceptive act in violation of 9 V.S.A. § 2453 (9 V.S.A. § 2454a(c)).
<b>Good Faith Exception</b>	None.

## VIRGINIA

<b>Contracts Subject to Law</b>	Contracts for goods or services, or both, with an automatic renewal or continuous service offer to a consumer.
<b>Statutory Authority</b>	Va. Code Ann. §§ 59.1-207.45 to 59.1-207.49
<b>Key Requirements</b>	<p>A supplier making the automatic renewal or continuous service offer must:</p> <ul style="list-style-type: none"> <li>■ Present the automatic renewal offer terms in a clear and conspicuous manner before the purchasing agreement is fulfilled and: <ul style="list-style-type: none"> <li>• in visual proximity; or</li> <li>• in the case of an offer conveyed by voice, in temporal proximity, to the request for consent to the offer.</li> </ul> </li> <li>■ If the offer also includes a free gift or trial, the offer must include a clear and conspicuous explanation of the price that will be charged after the trial ends, or the manner in which the subscription or purchasing agreement pricing will change on conclusion of the trial.</li> <li>■ Obtain the consumer’s affirmative consent to the agreement with the automatic renewal offer terms (including those made at a promotional or discounted price for a limited period of time) before charging the consumer’s: <ul style="list-style-type: none"> <li>• credit or debit card; or</li> <li>• account with a third party.</li> </ul> </li> <li>■ Provide an acknowledgment that includes: <ul style="list-style-type: none"> <li>• the automatic renewal offer terms;</li> <li>• the cancellation policy; and</li> <li>• the information regarding how to cancel in a manner that is capable of being retained by the consumer.</li> </ul> </li> <li>■ If the automatic renewal offer includes a free gift or trial, the business must also disclose in the acknowledgment how to cancel and allow the consumer to cancel before the consumer pays for the goods or services.</li> <li>■ Provide: <ul style="list-style-type: none"> <li>• a toll-free telephone number;</li> <li>• email address;</li> <li>• a postal address if the business directly bills the consumer; or</li> <li>• another cost-effective, timely, and easy-to-use mechanism for cancellation.</li> </ul> </li> <li>■ Before implementing a material change, provide the consumer: <ul style="list-style-type: none"> <li>• notice of any material change to the terms of the automatic renewal that has been accepted by a consumer via a clear and conspicuous notice; and</li> <li>• information regarding how to cancel in a manner that is capable of being retained by the consumer.</li> </ul> </li> </ul> <p>(Va. Code Ann. § 59.1-207.45.)</p>

<b>Definition of “Clear and Conspicuous”</b>	<p>Means:</p> <ul style="list-style-type: none"> <li>■ In larger type than the surrounding text.</li> <li>■ In contrasting type, font, or color to the surrounding text of the same size.</li> <li>■ Set off from the surrounding text of the same size by symbols or other marks in a manner that clearly calls attention to the language.</li> <li>■ For audio disclosures, in a volume and cadence sufficient to be readily audible and understandable.</li> </ul> <p>(Va. Code Ann. § 59.1-207.45.)</p>
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<b>Penalties</b>	<p>A violation is a prohibited practice under the Virginia Consumer Protection Act (Va. Code Ann. §§ 59.1-196 to 59.1-207), except a supplier is not subject to civil penalties or damages if the supplier makes a good faith effort to comply with the measure's requirements.</p> <p>Violations are subject to the enforcement provisions of the Virginia Consumer Protection Act. Suppliers may be subject to civil penalties (up to \$5,000 per violation) or damages (private right of action from individual consumers), or both. (Va. Code Ann. § 59.1-207.49.)</p> <p>In any case in which a supplier sends any goods, wares, merchandise, or products to a consumer under a continuous service agreement or automatic renewal of a purchase without first obtaining the consumer's affirmative consent, the goods, wares, merchandise, or products must for all purposes be deemed an unconditional gift to the consumer, who may use or dispose of the same in any manner he sees fit without any obligation whatsoever on the consumer's part to the supplier, including any obligation or responsibility for shipping any goods, wares, merchandise, or products to the supplier (Va. Code Ann. § 59.1-207.47).</p>
<b>Good Faith Exception</b>	None.

## WISCONSIN

<b>Contracts Subject to Law</b>	<p>Requires businesses, including health care providers and insurers, to notify customers of automatic renewal or extension provisions in "business contracts," which are defined as contracts that are entered into for either:</p> <ul style="list-style-type: none"> <li>■ The lease of business equipment, if any of the business equipment is used primarily in the state.</li> <li>■ Providing business services, but only if the contract is for the direct benefit of the end user of the business equipment or business services.</li> </ul> <p>The definition also excludes a number of types of contracts from its regulation.</p>
<b>Statutory Authority</b>	Wis. Stat. § 134.49
<b>Key Requirements</b>	<p>If a business contract has an automatic renewal provision for more than a period of one month, the seller must do one of the following:</p> <ul style="list-style-type: none"> <li>■ When the customer enters into the contract, present to the customer a copy of a form including the required disclosures required and obtain the customer's signature on the form.</li> <li>■ Include the required disclosures in the contract in a conspicuous manner and obtain the customer's initials on the contract on a page on which a disclosure appears.</li> </ul> <p>A required disclosure must contain all of the following:</p> <ul style="list-style-type: none"> <li>■ A statement that the contract will be renewed or extended unless the customer declines renewal or extension.</li> <li>■ A statement indicating the duration of the additional contract period that would result from an automatic renewal or extension period.</li> <li>■ A statement indicating whether an increase in charges to the customer will apply upon an automatic renewal or extension.</li> <li>■ A description of action the customer must take to decline renewal or extension.</li> <li>■ The date of the deadline for the customer to decline renewal or extension.</li> </ul> <p>If a contract for more than 12 months has an automatic renewal provision that renews for more than 12 months, the seller must provide to the customer at least 15 days but not more than 60 days before the deadline for the customer to decline renewal or extension, a written notice containing all of the following:</p> <ul style="list-style-type: none"> <li>■ A statement that the contract will be renewed or extended unless the customer declines renewal or extension.</li> <li>■ The deadline for the customer to decline renewal or extension.</li> <li>■ A description of any increase in charges to the customer that will apply after renewal or extension.</li> <li>■ A description of action that the customer must take to decline extension or renewal.</li> </ul>



	<p>Manner of notice required is satisfied by :</p> <ul style="list-style-type: none"> <li>■ Mailing a copy of the notice by regular US mail to the customer at the customer's last-known business address, unless the contract requires the customer to notify the seller by certified mail of the customer's intent to cancel.</li> <li>■ Mailing a copy of the notice by registered or certified mail to the customer at the customer's last-known business address.</li> <li>■ Giving a copy of the notice personally to an owner, officer, director, or managing agent of the customer's business.</li> <li>■ Including the notice on the first page of a monthly invoice sent to the customer. The notice must be prominently displayed in bold face type and in a type size no smaller than 12-point.</li> <li>■ Sending a facsimile to the customer to the customer's last-known facsimile number, if the contract permits the customer to use this method to notify the seller that the customer declines renewal or extension of the contract.</li> <li>■ Sending an email to the customer at the customer's last-known email address, if the contract permits the customer to use this method to notify the seller that the customer declines renewal or extension of the contract.</li> <li>■ By sending the notice via a recognized overnight courier service, if the contract permits the customer to use this method to notify the seller that the customer declines renewal or extension of the contract.</li> </ul> <p>(Wis. Stat. § 134.49.)</p>
<b>Definition of "Clear and Conspicuous"</b>	Not defined.
<b>Penalties</b>	Damages and attorneys' fees (Wis. Stat. § 134.49(6)).
<b>Good Faith Exception</b>	<p>Yes. A seller is not liable in an action or counterclaim if the court finds either of the following:</p> <ul style="list-style-type: none"> <li>■ All of the following: <ul style="list-style-type: none"> <li>• the seller has established and implemented written procedures for compliance;</li> <li>• the seller's failure to comply or the seller's attempt to enforce a provision that is void and unenforceable was not willful or malicious; and</li> <li>• the seller has refunded any amounts paid by the customer after the date of the renewal or extension until the date on which the business contract is terminated.</li> </ul> </li> <li>■ The customer requested, in writing, renewal or extension of the contract that is the basis for the customer's action or counterclaim against the seller, and the customer was aware of the terms under which the contract would be renewed or extended.</li> </ul> <p>(Wis. Stat. § 134.49(6)(d).)</p>

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