

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

Date

April 28, 2021

Committee on Business Affairs & Labor.

After consideration on the merits, the Committee recommends the following:

HB21-1239 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, add 6-1-731 and
4 6-1-732 as follows:

5 **6-1-731. Contracts for dating services and online dating**
6 **services - right of cancellation - remedy for violations - required**
7 **notice regarding fraud bans - definitions.** (1) AS USED IN THIS SECTION,
8 UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 (a) "BANNED MEMBER" MEANS A MEMBER WHOSE ACCOUNT OR
10 PROFILE IS THE SUBJECT OF A FRAUD BAN.

11 (b) "BUYER" MEANS AN INDIVIDUAL WHO PURCHASES SERVICES
12 FROM A DATING SERVICE.

13 (c) (I) "DATING SERVICE" MEANS ANY PERSON THAT OFFERS
14 DATING, MATRIMONIAL, OR SOCIAL REFERRAL SERVICES BY ANY OF THE
15 FOLLOWING MEANS:

16 (A) AN EXCHANGE OF NAMES, TELEPHONE NUMBERS, ADDRESSES,
17 AND STATISTICS;

18 (B) A PHOTOGRAPH OR VIDEO SELECTION PROCESS;

19 (C) PERSONAL INTRODUCTIONS PROVIDED BY THE PERSON AT ITS
20 PLACE OF BUSINESS; OR

21 (D) A SOCIAL ENVIRONMENT PROVIDED BY THE PERSON INTENDED
22 PRIMARILY AS AN ALTERNATIVE TO OTHER SINGLES' BARS OR CLUB-TYPE
23 ENVIRONMENTS.

1 (II) "DATING SERVICE" INCLUDES AN ONLINE DATING SERVICE.
2 (d) (I) "DATING SERVICE CONTRACT" MEANS A CONTRACT
3 BETWEEN A BUYER AND A DATING SERVICE.
4 (II) "DATING SERVICE CONTRACT" INCLUDES AN ONLINE DATING
5 SERVICE CONTRACT.
6 (e) "DATING SERVICE OFFICE" MEANS THE PRINCIPAL PLACE OF
7 BUSINESS OF A DATING SERVICE.
8 (f) "DISABILITY" MEANS A CONDITION THAT PRECLUDES A BUYER
9 FROM PHYSICALLY USING THE SERVICES SPECIFIED IN A DATING SERVICE
10 CONTRACT DURING THE TERM OF DISABILITY, WHICH CONDITION IS
11 VERIFIED IN WRITING BY A PHYSICIAN DESIGNATED AND REMUNERATED BY
12 THE BUYER.
13 (g) "FRAUD BAN" MEANS THE BARRING OF A MEMBER FROM AN
14 ONLINE DATING SERVICE BECAUSE, IN THE JUDGMENT OF THE ONLINE
15 DATING SERVICE, THE MEMBER POSES A SIGNIFICANT RISK OF ATTEMPTING
16 TO OBTAIN MONEY FROM OTHER MEMBERS THROUGH FRAUDULENT MEANS,
17 BY USING A FALSE IDENTITY, OR BY ATTEMPTING TO DEFRAUD OTHER
18 MEMBERS OF THE ONLINE DATING SERVICE.
19 (h) "MEMBER" MEANS AN INDIVIDUAL WHO SIGNS UP OR REGISTERS
20 WITH AN ONLINE DATING SERVICE.
21 (i) "MEMBER IN THIS STATE" MEANS A MEMBER WHO PROVIDES A
22 BILLING ADDRESS OR ZIP CODE IN THIS STATE WHEN REGISTERING WITH AN
23 ONLINE DATING SERVICE.
24 (j) "ONLINE DATING SERVICE" MEANS ANY PERSON ENGAGED IN
25 THE BUSINESS OF OFFERING DATING, MATRIMONIAL, OR SOCIAL REFERRAL
26 SERVICES THAT ARE OFFERED PRIMARILY ONLINE, SUCH AS BY MEANS OF
27 A WEBSITE OR A MOBILE APPLICATION.
28 (k) "ONLINE DATING SERVICE CONTRACT" MEANS A CONTRACT
29 BETWEEN A BUYER AND AN ONLINE DATING SERVICE.
30 (2) (a) IN ADDITION TO ANY OTHER RIGHT TO REVOKE AN OFFER,
31 A BUYER HAS THE RIGHT TO CANCEL A DATING SERVICE CONTRACT UNTIL
32 MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DAY ON WHICH THE
33 BUYER SIGNS THE CONTRACT.
34 (b) (I) EXCEPT AS DESCRIBED IN SUBSECTION (2)(b)(II) OF THIS
35 SECTION, CANCELLATION OF A DATING SERVICES CONTRACT OCCURS WHEN
36 THE BUYER GIVES WRITTEN NOTICE OF CANCELLATION BY MAIL,
37 TELEGRAM, OR DELIVERY TO THE DATING SERVICE AT THE ADDRESS
38 SPECIFIED IN THE CONTRACT OR OFFER.
39 (II) IN THE CASE OF AN ONLINE DATING SERVICE CONTRACT,
40 CANCELLATION OCCURS WHEN THE BUYER GIVES WRITTEN NOTICE OF
41 CANCELLATION BY E-MAIL TO AN E-MAIL ADDRESS PROVIDED BY THE



1 ONLINE DATING SERVICE OR THROUGH ANOTHER SIMPLE, COST-EFFECTIVE,
2 TIMELY, AND EASY-TO-USE MECHANISM FOR CANCELLATION PROVIDED BY
3 THE ONLINE DATING SERVICE. ADDITIONAL ELECTRONIC MEANS OF
4 CANCELLATION MAY BE PROVIDED BY THE CONTRACT.

5 (c) NOTICE OF CANCELLATION, IF GIVEN BY MAIL, IS EFFECTIVE
6 WHEN DEPOSITED IN THE MAIL PROPERLY ADDRESSED WITH POSTAGE
7 PREPAID. IF NOTICE OF CANCELLATION IS GIVEN BY E-MAIL, IT IS EFFECTIVE
8 AT THE TIME THE BUYER SENDS THE NOTICE.

9 (d) NOTICE OF CANCELLATION GIVEN BY THE BUYER NEED NOT
10 TAKE THE PARTICULAR FORM AS PROVIDED IN THE CONTRACT AND,
11 HOWEVER EXPRESSED, IS EFFECTIVE IF IT INDICATES THE INTENTION OF THE
12 BUYER TO NOT BE BOUND BY THE DATING SERVICE CONTRACT.

13 (e) ALL MONEY PAID PURSUANT TO ANY DATING SERVICE
14 CONTRACT SHALL BE REFUNDED WITHIN TEN DAYS AFTER RECEIPT OF THE
15 NOTICE OF CANCELLATION.

16 (f) THE BUYER MAY NOTIFY THE DATING SERVICE OF THE BUYER'S
17 INTENT TO CANCEL THE CONTRACT WITHIN THE THREE-DAY PERIOD
18 SPECIFIED IN THIS SUBSECTION (2) AND STOP THE PROCESSING OF A CREDIT
19 CARD VOUCHER OR CHECK BY TELEPHONE NOTIFICATION TO THE DATING
20 SERVICE . HOWEVER, THIS DOES NOT NEGATE THE OBLIGATION OF THE
21 BUYER TO CANCEL THE CONTRACT BY MAIL, E-MAIL OR OTHER ELECTRONIC
22 MEANS, TELEGRAM, OR DELIVERY AS REQUIRED PURSUANT TO THIS
23 SECTION.

24 (3) (a) A DATING SERVICE CONTRACT MUST BE SET FORTH IN
25 WRITING, WHICH, IN THE CASE OF AN ONLINE DATING SERVICE CONTRACT,
26 MAY BE AN ELECTRONIC WRITING MADE AVAILABLE FOR VIEWING ONLINE.
27 A COPY OF THE CONTRACT SHALL BE PROVIDED TO THE BUYER AT THE
28 TIME THE BUYER SIGNS THE CONTRACT; EXCEPT THAT AN ONLINE DATING
29 SERVICE SHALL NOT BE REQUIRED TO PROVIDE A COPY OF THE CONTRACT
30 IF:

31 (I) THE CONTRACT IS AVAILABLE THROUGH A DIRECT ONLINE LINK
32 THAT IS PROVIDED IN A CLEAR AND CONSPICUOUS MANNER ON THE
33 WEBSITE WHERE THE BUYER PROVIDES CONSENT TO THE CONTRACT; AND

34 (II) UPON REQUEST BY THE BUYER, THE ONLINE DATING SERVICE
35 PROVIDES A RETAINABLE DIGITAL COPY OF THE CONTRACT.

36 (b) (I) EACH DATING SERVICE CONTRACT MUST CONTAIN ON ITS
37 FACE, IN CLOSE PROXIMITY TO THE SPACE RESERVED FOR THE SIGNATURE
38 OF THE BUYER, A CONSPICUOUS STATEMENT IN A LARGER SIZE TYPE THAN
39 THE SURROUNDING TEXT; IN CONTRASTING TYPE, FONT, OR COLOR TO THE
40 SURROUNDING TEXT OF THE SAME SIZE; OR SET OFF FROM THE
41 SURROUNDING TEXT OF THE SAME SIZE BY SYMBOLS OR OTHER MARKS IN



1 A MANNER THAT CLEARLY CALLS ATTENTION TO THE LANGUAGE, AS
2 FOLLOWS:

3 YOU, THE BUYER, MAY CANCEL THIS CONTRACT,
4 WITHOUT ANY PENALTY OR OBLIGATION, AT ANY
5 TIME PRIOR TO MIDNIGHT OF THE THIRD
6 BUSINESS DAY FOLLOWING THE DATE OF THIS
7 CONTRACT, EXCLUDING SUNDAYS AND
8 HOLIDAYS. NOTICE OF CANCELLATION NEED NOT
9 TAKE A PARTICULAR FORM AND IS EFFECTIVE IF
10 IT INDICATES YOUR DESIRE TO NOT BE BOUND BY
11 THIS CONTRACT. TO CANCEL THIS CONTRACT,
12 MAIL OR DELIVER A SIGNED AND DATED NOTICE
13 OR SEND A TELEGRAM THAT STATES THAT YOU,
14 THE BUYER, ARE CANCELING THIS CONTRACT, OR
15 WORDS OF SIMILAR EFFECT. SEND THIS NOTICE
16 TO:

17 _____ (NAME OF THE DATING SERVICE THAT SOLD
18 YOU THE CONTRACT)

19 _____ (ADDRESS OF THE DATING SERVICE THAT
20 SOLD YOU THE CONTRACT)

21 (II) NOTWITHSTANDING SUBSECTION (3)(b)(I) OF THIS SECTION, AN
22 ONLINE DATING SERVICE CONTRACT MUST INCLUDE THE FOLLOWING
23 STATEMENT IN A CLEAR AND CONSPICUOUS MANNER IN A STANDALONE
24 FIRST PARAGRAPH OF THE CONTRACT:

25 YOU, THE BUYER, MAY CANCEL THIS CONTRACT,
26 WITHOUT ANY PENALTY OR OBLIGATION, AT ANY
27 TIME PRIOR TO MIDNIGHT OF THE THIRD
28 BUSINESS DAY FOLLOWING THE DATE OF THIS
29 CONTRACT, EXCLUDING SUNDAYS AND
30 HOLIDAYS. NOTICE OF CANCELLATION NEED NOT
31 TAKE A PARTICULAR FORM AND IS EFFECTIVE IF
32 IT INDICATES YOUR DESIRE TO NOT BE BOUND BY
33 THIS CONTRACT. TO CANCEL THIS CONTRACT,
34 SEND AN E-MAIL THAT STATES THAT YOU, THE
35 BUYER, ARE CANCELING THIS CONTRACT, OR
36 WORDS OF SIMILAR EFFECT. SEND THIS NOTICE
37 TO: _____ (E-MAIL ADDRESS OF THE ONLINE
38 DATING SERVICE THAT SOLD THE CONTRACT)

39 (c) (I) EACH DATING SERVICE CONTRACT MUST CONTAIN ON THE
40 FIRST PAGE, IN A TYPE SIZE NO SMALLER THAN THAT GENERALLY USED IN
41 THE BODY OF THE DOCUMENT, THE NAME AND ADDRESS OF THE DATING

1 SERVICE TO WHICH THE NOTICE OF CANCELLATION IS TO BE MAILED OR
2 DELIVERED AND THE DATE THE BUYER SIGNED THE CONTRACT.

3 (II) NOTWITHSTANDING SUBSECTION (3)(c)(I) OF THIS SECTION, IN
4 THE CASE OF AN ONLINE DATING SERVICE CONTRACT, SAID SUBSECTION
5 (3)(c)(I) DOES NOT APPLY IF THE NAME OF THE ONLINE DATING SERVICE
6 AND THE E-MAIL ADDRESS OR OTHER SIMPLE, COST-EFFECTIVE, TIMELY,
7 AND EASY-TO-USE MECHANISM THAT CAN BE USED FOR CANCELLATION
8 APPEARS IN THE FIRST PARAGRAPH OF THE CONTRACT IN A TYPE SIZE NO
9 SMALLER THAN THAT GENERALLY USED IN THE BODY OF THE DOCUMENT.

10 (d) (I) A DATING SERVICE CONTRACT SHALL NOT REQUIRE
11 PAYMENTS OR FINANCING BY THE BUYER OVER A PERIOD EXCEEDING TWO
12 YEARS AFTER THE DATE THE CONTRACT IS ENTERED INTO, NOR SHALL THE
13 TERM OF ANY SUCH CONTRACT BE MEASURED BY THE LIFE OF THE BUYER.
14 HOWEVER, THE SERVICES TO BE RENDERED TO THE BUYER UNDER THE
15 CONTRACT MAY EXTEND OVER A PERIOD BEGINNING WITHIN SIX MONTHS
16 AND ENDING WITHIN THREE YEARS AFTER THE DATE THE CONTRACT IS
17 EXECUTED.

18 (II) NOTWITHSTANDING SUBSECTION (3)(d)(I) OF THIS SECTION, IN
19 THE CASE OF AN ONLINE DATING SERVICE CONTRACT, SAID SUBSECTION
20 (3)(d)(I) DOES NOT APPLY IF THE LENGTH OF THE INITIAL TERM IS ONE
21 YEAR OR LESS AND THE LENGTH OF EACH SUBSEQUENT TERM IS ONE YEAR
22 OR LESS.

23 (e) IF A DATING SERVICE CONTRACT DOES NOT COMPLY WITH THE
24 REQUIREMENTS OF THIS SECTION, THE BUYER MAY CANCEL THE CONTRACT
25 AT ANY TIME.

26 (4) (a) EACH DATING SERVICE CONTRACT MUST CONTAIN
27 LANGUAGE PROVIDING THAT:

28 (I) IF BY REASON OF DEATH OR DISABILITY THE BUYER IS UNABLE
29 TO RECEIVE ALL SERVICES FOR WHICH THE BUYER HAS CONTRACTED, THE
30 BUYER AND THE BUYER'S ESTATE MAY ELECT TO BE RELIEVED OF THE
31 OBLIGATION TO MAKE PAYMENTS FOR SERVICES OTHER THAN THOSE
32 RECEIVED BEFORE DEATH OR THE ONSET OF DISABILITY, EXCEPT AS
33 PROVIDED IN SUBSECTION (4)(a)(III) OF THIS SECTION, SO LONG AS THE
34 BUYER OR THE BUYER'S ESTATE PROVIDES WRITTEN VERIFICATION OF THE
35 DISABILITY TO THE DATING SERVICE.

36 (II) IF THE BUYER HAS PREPAID ANY AMOUNT FOR SERVICES, SO
37 MUCH OF THE AMOUNT PREPAID THAT IS ALLOCABLE TO SERVICES THAT
38 THE BUYER HAS NOT RECEIVED SHALL BE PROMPTLY REFUNDED TO THE
39 BUYER OR THE BUYER'S REPRESENTATIVE; AND

40 (III) IF THE PHYSICIAN VERIFYING THE BUYER'S DISABILITY
41 DETERMINES THAT THE DURATION OF THE DISABILITY WILL BE LESS THAN

1 SIX MONTHS, THE DATING SERVICE MAY EXTEND THE TERM OF THE
2 CONTRACT FOR A PERIOD OF SIX MONTHS AT NO ADDITIONAL CHARGE TO
3 THE BUYER IN LIEU OF CANCELLATION.

4 (b) (I) IF A DATING SERVICE PROVIDES SERVICES WITHIN A LIMITED
5 GEOGRAPHICAL AREA, AND A BUYER RELOCATES THE BUYER'S PRIMARY
6 RESIDENCE MORE THAN FIFTY MILES FROM THE DATING SERVICE OFFICE
7 AND IS UNABLE TO TRANSFER THE CONTRACT TO A COMPARABLE FACILITY,
8 THE BUYER MAY ELECT TO BE RELIEVED OF THE OBLIGATION TO MAKE
9 PAYMENT FOR SERVICES OTHER THAN THOSE RECEIVED PRIOR TO THE
10 RELOCATION, AND IF THE BUYER HAS PREPAID ANY AMOUNT FOR SERVICES,
11 SO MUCH OF THE AMOUNT PREPAID THAT IS ALLOCABLE TO SERVICES THAT
12 THE BUYER HAS NOT RECEIVED SHALL BE PROMPTLY REFUNDED TO THE
13 BUYER. A BUYER WHO ELECTS TO BE RELIEVED OF FURTHER OBLIGATION
14 PURSUANT TO THIS SUBSECTION (4)(b)(I) MAY BE CHARGED A
15 PREDETERMINED FEE NOT TO EXCEED ONE HUNDRED DOLLARS OR, IF MORE
16 THAN HALF THE LIFE OF THE CONTRACT HAS EXPIRED, A PREDETERMINED
17 FEE NOT TO EXCEED FIFTY DOLLARS.

18 (II) NOTWITHSTANDING SUBSECTION (4)(b)(I) OF THIS SECTION,
19 SAID SUBSECTION (4)(b)(I) DOES NOT APPLY TO AN ONLINE DATING
20 SERVICE THAT IS GENERALLY AVAILABLE TO USERS ON A REGIONAL,
21 NATIONAL, OR GLOBAL BASIS.

22 (c) IN ADDITION TO ANY OTHER REQUIREMENTS, AN ONLINE
23 DATING SERVICE SHALL ALSO MAINTAIN:

24 (I) A REFERENCE OR ONLINE LINK TO DATING SAFETY AWARENESS
25 INFORMATION THAT INCLUDES, AT A MINIMUM, A LIST OR DESCRIPTIONS OF
26 SAFETY MEASURES REASONABLY INTENDED TO INCREASE AWARENESS OF
27 SAFE DATING PRACTICES; AND

28 (II) A MEANS BY WHICH A MEMBER MAY REPORT ISSUES OR
29 CONCERNS RELATING TO THE BEHAVIOR OF OTHER MEMBERS OF THE
30 ONLINE DATING SERVICE ARISING OUT OF THEIR USE OF THE SERVICE.

31 (5) (a) ANY DATING SERVICE CONTRACT THAT DOES NOT COMPLY
32 WITH THIS SECTION IS VOID AND UNENFORCEABLE.

33 (b) ANY DATING SERVICE CONTRACT THAT IS ENTERED INTO BY A
34 BUYER IN RESPONSE TO WILLFULLY FRAUDULENT OR MISLEADING
35 INFORMATION OR ADVERTISEMENTS OF THE DATING SERVICE IS VOID AND
36 UNENFORCEABLE.

37 (c) NOTWITHSTANDING THE PROVISIONS OF ANY DATING SERVICE
38 CONTRACT, IN ANY CASE IN WHICH A CONTRACT PRICE IS PAYABLE IN
39 INSTALLMENTS AND THE BUYER IS RELIEVED FROM MAKING FURTHER
40 PAYMENTS OR ENTITLED TO A REFUND UNDER THIS SECTION, THE BUYER
41 IS ENTITLED TO RECEIVE A REFUND OR REFUND CREDIT OF THAT PORTION



1 OF THE CASH PRICE THAT IS ALLOCABLE TO THE SERVICES NOT ACTUALLY
2 RECEIVED BY THE BUYER. THE REFUND OF ANY FINANCE CHARGE SHALL BE
3 COMPUTED ACCORDING TO THE "SUM OF THE BALANCE METHOD", ALSO
4 KNOWN AS THE "RULE OF 78".

5 (d) ANY WAIVER BY A BUYER OF THE RIGHTS AFFORDED TO THE
6 BUYER BY THIS SECTION IS VOID AND UNENFORCEABLE.

7 (6)(a) AN ONLINE DATING SERVICE SHALL PROVIDE NOTICE TO ALL
8 OF ITS MEMBERS IN THIS STATE WHO THE ONLINE DATING SERVICE KNOWS
9 HAVE PREVIOUSLY RECEIVED AND RESPONDED TO AN ON-SITE MESSAGE
10 FROM A BANNED MEMBER. THE NOTICE MUST INCLUDE ALL OF THE
11 FOLLOWING:

12 (I) THE USERNAME, IDENTIFICATION NUMBER, OR OTHER PROFILE
13 IDENTIFIER OF THE BANNED MEMBER;

14 (II) A STATEMENT THAT THE BANNED MEMBER MAY HAVE BEEN
15 USING A FALSE IDENTITY OR MAY ATTEMPT TO DEFRAUD OTHER MEMBERS;

16 (III) A STATEMENT THAT MEMBERS SHOULD NOT SEND MONEY OR
17 PERSONAL FINANCIAL INFORMATION TO ANOTHER MEMBER; AND

18 (IV) AN ONLINE LINK THAT PROVIDES INFORMATION REGARDING
19 WAYS TO AVOID ONLINE FRAUD OR BEING DEFRAUDED BY A MEMBER OF AN
20 ONLINE DATING SERVICE.

21 (b) THE NOTIFICATION REQUIRED BY SUBSECTION (6)(a) OF THIS
22 SECTION MUST BE:

23 (I) CLEAR AND CONSPICUOUS;

24 (II) SENT VIA E-MAIL, TEXT MESSAGE, OR OTHER APPROPRIATE
25 MEANS OF COMMUNICATION CONSENTED TO BY THE MEMBER; AND

26 (III) SENT WITHIN TWENTY-FOUR HOURS AFTER THE FRAUD BAN IS
27 INITIATED AGAINST THE BANNED MEMBER; EXCEPT THAT NOTIFICATION
28 MAY BE SENT WITHIN THREE DAYS AFTER THE FRAUD BAN IS INITIATED IF,
29 IN THE JUDGMENT OF THE ONLINE DATING SERVICE, CIRCUMSTANCES
30 REQUIRE ADDITIONAL TIME.

31 (c) AN ONLINE DATING SERVICE WHOSE AGENTS AND EMPLOYEES
32 ARE ACTING IN GOOD FAITH IS NOT LIABLE TO ANY PERSON, OTHER THAN
33 THIS STATE OR ANY AGENCY, DEPARTMENT, OR POLITICAL SUBDIVISION OF
34 THIS STATE, FOR DAMAGES RESULTING FROM:

35 (I) THE MEANS OF COMMUNICATION USED TO NOTIFY A MEMBER;

36 (II) WHEN NOTIFICATION IS SENT PURSUANT TO THIS SECTION; OR

37 (III) DISCLOSING ANY OF THE FOLLOWING INFORMATION:

38 (A) THAT A MEMBER HAS BEEN BANNED;

39 (B) THE USERNAME, IDENTIFICATION NUMBER, OR OTHER PROFILE
40 IDENTIFIER OF THE BANNED MEMBER; OR

41 (C) THE REASON THAT THE ONLINE DATING SERVICE INITIATED THE

1 FRAUD BAN OF A BANNED MEMBER.

2 (d) THIS SECTION DOES NOT CREATE A PRIVATE RIGHT OF ACTION
3 OR DIMINISH OR ADVERSELY AFFECT THE PROTECTIONS AFFORDED IN 47
4 U.S.C. SEC.230.

5 **6-1-732. Automatic renewal contracts - unlawful acts -**
6 **required disclosures - right to cancel - trial period offers - exemptions**
7 **- definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT
8 OTHERWISE REQUIRES:

9 (a) "AUTOMATIC RENEWAL CONTRACT" MEANS A PLAN OR
10 ARRANGEMENT IN WHICH A PAID SUBSCRIPTION OR PURCHASING
11 AGREEMENT IS AUTOMATICALLY RENEWED AT THE END OF A DEFINITE
12 TERM FOR A SUBSEQUENT TERM OR ON A CONTINUOUS OR RECURRING
13 BASIS.

14 (b) "AUTOMATIC RENEWAL OFFER TERMS" MEANS THE FOLLOWING
15 CLEAR AND CONSPICUOUS DISCLOSURES:

16 (I) THAT AN AUTOMATIC RENEWAL CONTRACT WILL
17 AUTOMATICALLY RENEW OR EXTEND AFTER THE INITIAL PERIOD FOR A SET
18 TERM NOT TO EXCEED ONE YEAR UNLESS THE CONSUMER GIVES EXPRESS
19 WRITTEN CONSENT FOR A LONGER RENEWAL TERM;

20 (II) A DESCRIPTION OF THE CANCELLATION POLICY THAT APPLIES
21 TO THE OFFER;

22 (III) ANY RECURRING CHARGES THAT WILL BE CHARGED TO THE
23 CONSUMER'S CREDIT CARD, DEBIT CARD, OR PAYMENT ACCOUNT WITH A
24 THIRD PARTY AS PART OF AN AUTOMATIC RENEWAL CONTRACT,
25 INCLUDING, IF APPLICABLE, AN INDICATION THAT THE AMOUNT OF THE
26 CHARGE MAY CHANGE AND, IF SO, THAT THE CONSUMER WILL RECEIVE
27 NOTICE OF THE CHANGE IN ACCORDANCE WITH SUBSECTION (3) OF THIS
28 SECTION;

29 (IV) THE LENGTH OF AN AUTOMATIC RENEWAL TERM; AND

30 (V) THE MINIMUM PURCHASE OBLIGATION, IF ANY.

31 (c) "CLEAR AND CONSPICUOUS" OR "CLEARLY AND
32 CONSPICUOUSLY" MEANS IN LARGER TYPE THAN THE SURROUNDING TEXT;
33 IN CONTRASTING TYPE, FONT, OR COLOR TO THE SURROUNDING TEXT OF
34 THE SAME SIZE; OR SET OFF FROM THE SURROUNDING TEXT OF THE SAME
35 SIZE BY SYMBOLS OR OTHER MARKS IN A MANNER THAT CLEARLY CALLS
36 ATTENTION TO THE LANGUAGE. IN THE CASE OF AN AUDIO DISCLOSURE,
37 "CLEAR AND CONSPICUOUS" OR "CLEARLY AND CONSPICUOUSLY" MEANS
38 IN A VOLUME AND CADENCE SUFFICIENT TO BE READILY AUDIBLE AND
39 UNDERSTANDABLE.

40 (d) "CONSUMER" MEANS AN INDIVIDUAL WHO SEEKS OR ACQUIRES,
41 BY PURCHASE OR LEASE, ANY GOODS, SERVICES, MONEY, OR CREDIT FOR



1 PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES.

2 (e) "TRIAL PERIOD OFFER" MEANS A SOLICITATION OFFERING A
3 CONSUMER A PERIOD OF TIME IN WHICH TO SAMPLE A PRODUCT OR
4 SERVICE, WHICH OFFER IS USED AS AN INDUCEMENT FOR THE CONSUMER
5 TO MAKE A PURCHASE OF THE PRODUCT OR SERVICE OR A SIMILAR
6 PRODUCT OR SERVICE.

7 (2) IT IS UNLAWFUL FOR A PERSON THAT OFFERS AN AUTOMATIC
8 RENEWAL CONTRACT TO A CONSUMER IN THIS STATE TO:

9 (a) FAIL TO PRESENT THE AUTOMATIC RENEWAL OFFER TERMS IN
10 A CLEAR AND CONSPICUOUS MANNER BEFORE THE AUTOMATIC RENEWAL
11 CONTRACT IS EXECUTED. IN THE CASE OF AN OFFER THAT IS CONVEYED BY
12 VOICE, THE PERSON MUST PRESENT THE TERMS IN TEMPORAL PROXIMITY
13 TO THE REQUEST FOR THE CONSUMER'S CONSENT TO THE OFFER. IF THE
14 OFFER INCLUDES A TRIAL PERIOD OFFER, THE OFFER MUST ALSO INCLUDE
15 A CLEAR AND CONSPICUOUS EXPLANATION OF THE PRICE THAT WILL BE
16 CHARGED AND ANY FURTHER PURCHASE OBLIGATIONS THAT WILL BE
17 IMPOSED ON THE CONSUMER AFTER THE TRIAL PERIOD ENDS.

18 (b) CHARGE THE CONSUMER'S CREDIT CARD, DEBIT CARD, OR
19 ACCOUNT WITH A THIRD PARTY FOR AN AUTOMATIC RENEWAL CONTRACT
20 WITHOUT FIRST OBTAINING THE CONSUMER'S AFFIRMATIVE CONSENT TO
21 THE AUTOMATIC RENEWAL CONTRACT CONTAINING THE AUTOMATIC
22 RENEWAL OFFER TERMS, INCLUDING THE TERMS OF AN AUTOMATIC
23 RENEWAL OFFER THAT IS MADE AT A PROMOTIONAL OR DISCOUNTED PRICE
24 FOR A LIMITED PERIOD OF TIME;

25 (c) FAIL TO PROVIDE THE CONSUMER A WRITTEN
26 ACKNOWLEDGMENT THAT INCLUDES THE AUTOMATIC RENEWAL OFFER
27 TERMS, THE CANCELLATION POLICY, AND INFORMATION REGARDING HOW
28 TO CANCEL IN A MANNER THAT IS CAPABLE OF BEING RETAINED BY THE
29 CONSUMER. IF THE OFFER OF AN AUTOMATIC RENEWAL CONTRACT
30 INCLUDES A TRIAL PERIOD OFFER, THE PERSON SHALL ALSO DISCLOSE IN
31 THE WRITTEN ACKNOWLEDGMENT HOW THE CONSUMER MAY CANCEL THE
32 AUTOMATIC RENEWAL CONTRACT, AND THE PERSON SHALL ALLOW THE
33 CONSUMER TO CANCEL THE CONTRACT BEFORE THE CONSUMER IS
34 REQUIRED TO PAY FOR THE GOODS OR SERVICES.

35 (d) FAIL TO PROVIDE A SIMPLE, COST-EFFECTIVE, TIMELY, AND
36 EASY-TO-USE MECHANISM FOR CANCELING AN AUTOMATIC RENEWAL
37 CONTRACT OR TRIAL PERIOD OFFER. A PERSON IS DEEMED TO COMPLY
38 WITH THIS SUBSECTION (2)(d) IF THE PERSON OFFERS A ONE-STEP
39 CANCELLATION INTERNET LINK THAT IS:

40 (I) LOCATED ON THE PERSON'S WEBSITE OR CONTAINED IN AN
41 ELECTRONIC COMMUNICATION TO THE CONSUMER; AND



1 (II) AVAILABLE TO THE CONSUMER IMMEDIATELY OR AFTER THE
2 CONSUMER COMPLETES A REASONABLE METHOD THAT IS USED SOLELY TO
3 AUTHENTICATE THE IDENTITY OF THE CONSUMER.

4 (3) IF A MATERIAL CHANGE OCCURS IN THE TERMS OF AN
5 AUTOMATIC RENEWAL CONTRACT THAT HAS BEEN ACCEPTED BY A
6 CONSUMER IN THIS STATE, THE PERSON SHALL PROVIDE TO THE CONSUMER,
7 IN A MANNER THAT MAY BE RETAINED BY THE CONSUMER, A CLEAR AND
8 CONSPICUOUS NOTICE OF THE MATERIAL CHANGE AND INFORMATION
9 REGARDING CANCELLATION OF THE AUTOMATIC RENEWAL CONTRACT,
10 INCLUDING INFORMATION CONCERNING THE MECHANISM DESCRIBED IN
11 SUBSECTION (2)(d) OF THIS SECTION.

12 (4)(a) A PERSON THAT SELLS A GOOD OR SERVICE TO A CONSUMER
13 PURSUANT TO AN AUTOMATIC RENEWAL CONTRACT SHALL NOTIFY THE
14 CONSUMER THAT THE AUTOMATIC RENEWAL CONTRACT WILL
15 AUTOMATICALLY RENEW OR CONTINUE UNLESS THE CONSUMER CANCELS
16 THE AUTOMATIC RENEWAL CONTRACT. THE NOTICE MUST INFORM THE
17 CONSUMER OF THE PROCESS FOR CANCELING THE AUTOMATIC RENEWAL
18 CONTRACT, AND THE PROCESS MUST BE CONSISTENT WITH SUBSECTION
19 (2)(d) OF THIS SECTION. THE PERSON SHALL PROVIDE THE NOTICE BY:

- 20 (I) FIRST CLASS MAIL;
- 21 (II) E-MAIL; OR
- 22 (III) ANOTHER EASILY ACCESSIBLE FORM OF COMMUNICATION,
23 SUCH AS A TEXT MESSAGE OR A MOBILE PHONE APPLICATION, IF THE
24 CONSUMER SPECIFICALLY AUTHORIZES THE PERSON TO PROVIDE NOTICE IN
25 SUCH FORM OR IF THE CONSUMER CUSTOMARILY USES SUCH FORM TO
26 COMMUNICATE WITH THE PERSON.

27 (b) A PERSON THAT SELLS A GOOD OR SERVICE TO A CONSUMER
28 PURSUANT TO AN AUTOMATIC RENEWAL CONTRACT SHALL SEND THE
29 NOTICE DESCRIBED IN SUBSECTION (4)(a) OF THIS SECTION NO MORE THAN
30 THIRTY DAYS BEFORE THE FIRST AUTOMATIC RENEWAL AND NO MORE
31 THAN THIRTY DAYS BEFORE EACH AUTOMATIC RENEWAL THEREAFTER;
32 EXCEPT THAT, IF THE INITIAL AUTOMATIC RENEWAL OR ANY SUBSEQUENT
33 AUTOMATIC RENEWAL IS FOR A TERM OF LESS THAN TWELVE MONTHS, THE
34 PERSON SHALL SEND THE NOTICE AT LEAST ANNUALLY AND AT LEAST
35 ONCE IN THE THIRTY DAYS DIRECTLY PRECEDING ANY SUBSEQUENT
36 AUTOMATIC RENEWAL THAT WOULD EXTEND THE CONTRACT BEYOND A
37 CONTINUOUS TWELVE-MONTH PERIOD.

38 (5) AN INTERNET LINK THAT DIRECTS A CONSUMER TO DETAILED
39 INFORMATION ABOUT AN AUTOMATIC RENEWAL CONTRACT MUST:

- 40 (a) BE AVAILABLE BEFORE A CONSUMER ELECTS TO PURCHASE ANY
41 GOOD OR SERVICE SUBJECT TO THE AUTOMATIC RENEWAL CONTRACT;

1 (b) APPEAR IN CLOSE PROXIMITY TO ANY INTERNET LINK USED BY
2 THE CONSUMER TO PURCHASE ANY GOODS OR SERVICES SUBJECT TO THAT
3 CONTRACT; AND

4 (c) CLEARLY AND CONSPICUOUSLY STATE THAT BY PURCHASING
5 THE GOOD OR SERVICE, THE CONSUMER AGREES TO ENROLL IN AN
6 AUTOMATIC RENEWAL CONTRACT, AND DETAILS MAY BE PROVIDED
7 SEPARATELY.

8 (6) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
9 CONTRARY, THIS SECTION DOES NOT APPLY TO:

10 (a) A SERVICE PROVIDED BY A PERSON PURSUANT TO A FRANCHISE
11 ISSUED BY A POLITICAL SUBDIVISION OF THE STATE OR A LICENSE,
12 FRANCHISE, CERTIFICATE, OR OTHER AUTHORIZATION ISSUED BY THE
13 PUBLIC UTILITIES COMMISSION CREATED IN SECTION 40-2-101;

14 (b) A SERVICE PROVIDED BY A PERSON THAT IS REGULATED BY THE
15 FEDERAL COMMUNICATIONS COMMISSION, THE FEDERAL ENERGY
16 REGULATORY COMMISSION, OR THE PUBLIC UTILITIES COMMISSION
17 CREATED IN SECTION 40-2-101;

18 (c) AN ENTITY REGULATED BY THE DIVISION OF INSURANCE;

19 (d) A BANK OR BANK HOLDING COMPANY THAT IS LICENSED UNDER
20 STATE OR FEDERAL LAW, OR A SUBSIDIARY OR AFFILIATE OF SUCH A BANK
21 OR BANK HOLDING COMPANY;

22 (e) A CREDIT UNION OR OTHER FINANCIAL INSTITUTION THAT IS
23 LICENSED UNDER STATE OR FEDERAL LAW; OR

24 (f) AN AIR CARRIER AS DEFINED IN AND REGULATED UNDER THE
25 "FEDERAL AVIATION ACT OF 1958", 49 U.S.C. SEC. 40101 ET. SEQ., AS
26 AMENDED, INCLUDING THE FEDERAL "AIRLINE DEREGULATION ACT OF
27 1978", 49 U.S.C. SEC. 41713, AS AMENDED.

28 **SECTION 2. Act subject to petition - effective date -**
29 **applicability.** (1) This act takes effect January 1, 2022; except that, if a
30 referendum petition is filed pursuant to section 1 (3) of article V of the
31 state constitution against this act or an item, section, or part of this act
32 within the ninety-day period after final adjournment of the general
33 assembly, then the act, item, section, or part will not take effect unless
34 approved by the people at the general election to be held in November
35 2022 and, in such case, will take effect on the date of the official
36 declaration of the vote thereon by the governor.

37 (2) This act applies to dating service contracts and automatic
38 renewal contracts executed on or after the applicable effective date of this
39 act."

40 Page 1, line 102, strike "ITEMS." and substitute "ITEMS, AND, IN



1 CONNECTION THEREWITH, ESTABLISHING REQUIREMENTS REGARDING
2 THE EXECUTION AND ENFORCEMENT OF DATING SERVICE CONTRACTS
3 AND AUTOMATIC RENEWAL CONTRACTS."

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