

HB1239_L.001

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business Affairs & Labor.

HB21-1239 be amended as follows:

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.

24 (II) "DATING SERVICE" INCLUDES AN ONLINE DATING SERVICE.

25 (d) (I) "DATING SERVICE CONTRACT" MEANS A CONTRACT
26 BETWEEN A BUYER AND A DATING SERVICE.

27 (II) "DATING SERVICE CONTRACT" INCLUDES AN ONLINE DATING
28 SERVICE CONTRACT.

29 (e) "DATING SERVICE OFFICE" MEANS THE PRINCIPAL PLACE OF
30 BUSINESS OF A DATING SERVICE.

31 (f) "DISABILITY" MEANS A CONDITION THAT PRECLUDES A BUYER
32 FROM PHYSICALLY USING THE SERVICES SPECIFIED IN A DATING SERVICE
33 CONTRACT DURING THE TERM OF DISABILITY, WHICH CONDITION IS
34 VERIFIED IN WRITING BY A PHYSICIAN DESIGNATED AND REMUNERATED BY
35 THE BUYER.

36 (g) "FRAUD BAN" MEANS THE BARRING OF A MEMBER FROM AN
37 ONLINE DATING SERVICE BECAUSE, IN THE JUDGMENT OF THE ONLINE
38 DATING SERVICE, THE MEMBER POSES A SIGNIFICANT RISK OF ATTEMPTING
39 TO OBTAIN MONEY FROM OTHER MEMBERS THROUGH FRAUDULENT MEANS,
40 BY USING A FALSE IDENTITY, OR BY ATTEMPTING TO DEFRAUD OTHER

1 MEMBERS OF THE ONLINE DATING SERVICE.

2 (h) "MEMBER" MEANS AN INDIVIDUAL WHO SIGNS UP OR REGISTERS
3 WITH AN ONLINE DATING SERVICE.

4 (i) "MEMBER IN THIS STATE" MEANS A MEMBER WHO PROVIDES A
5 BILLING ADDRESS OR ZIP CODE IN THIS STATE WHEN REGISTERING WITH AN
6 ONLINE DATING SERVICE.

7 (j) "ONLINE DATING SERVICE" MEANS ANY PERSON ENGAGED IN
8 THE BUSINESS OF OFFERING DATING, MATRIMONIAL, OR SOCIAL REFERRAL
9 SERVICES THAT ARE OFFERED PRIMARILY ONLINE, SUCH AS BY MEANS OF
10 A WEBSITE OR A MOBILE APPLICATION.

11 (k) "ONLINE DATING SERVICE CONTRACT" MEANS A CONTRACT
12 BETWEEN A BUYER AND AN ONLINE DATING SERVICE.

13 (2) (a) IN ADDITION TO ANY OTHER RIGHT TO REVOKE AN OFFER,
14 A BUYER HAS THE RIGHT TO CANCEL A DATING SERVICE CONTRACT UNTIL
15 MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DAY ON WHICH THE
16 BUYER SIGNS THE CONTRACT.

17 (b) (I) EXCEPT AS DESCRIBED IN SUBSECTION (2)(b)(II) OF THIS
18 SECTION, CANCELLATION OF A DATING SERVICES CONTRACT OCCURS WHEN
19 THE BUYER GIVES WRITTEN NOTICE OF CANCELLATION BY MAIL,
20 TELEGRAM, OR DELIVERY TO THE DATING SERVICE AT THE ADDRESS
21 SPECIFIED IN THE CONTRACT OR OFFER.

22 (II) IN THE CASE OF AN ONLINE DATING SERVICE CONTRACT,
23 CANCELLATION OCCURS WHEN THE BUYER GIVES WRITTEN NOTICE OF
24 CANCELLATION BY E-MAIL TO AN E-MAIL ADDRESS PROVIDED BY THE
25 ONLINE DATING SERVICE OR THROUGH ANOTHER SIMPLE, COST-EFFECTIVE,
26 TIMELY, AND EASY-TO-USE MECHANISM FOR CANCELLATION PROVIDED BY
27 THE ONLINE DATING SERVICE. ADDITIONAL ELECTRONIC MEANS OF
28 CANCELLATION MAY BE PROVIDED BY THE CONTRACT.

29 (c) NOTICE OF CANCELLATION, IF GIVEN BY MAIL, IS EFFECTIVE
30 WHEN DEPOSITED IN THE MAIL PROPERLY ADDRESSED WITH POSTAGE
31 PREPAID. IF NOTICE OF CANCELLATION IS GIVEN BY E-MAIL, IT IS EFFECTIVE
32 AT THE TIME THE BUYER SENDS THE NOTICE.

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

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

40 (f) THE BUYER MAY NOTIFY THE DATING SERVICE OF THE BUYER'S
41 INTENT TO CANCEL THE CONTRACT WITHIN THE THREE-DAY PERIOD
42 SPECIFIED IN THIS SUBSECTION (2) AND STOP THE PROCESSING OF A CREDIT
43 CARD VOUCHER OR CHECK BY TELEPHONE NOTIFICATION TO THE DATING
44 SERVICE . HOWEVER, THIS DOES NOT NEGATE THE OBLIGATION OF THE
45 BUYER TO CANCEL THE CONTRACT BY MAIL, E-MAIL OR OTHER ELECTRONIC

1 MEANS, TELEGRAM, OR DELIVERY AS REQUIRED PURSUANT TO THIS
2 SECTION.

3 (3) (a) A DATING SERVICE CONTRACT MUST BE SET FORTH IN
4 WRITING, WHICH, IN THE CASE OF AN ONLINE DATING SERVICE CONTRACT,
5 MAY BE AN ELECTRONIC WRITING MADE AVAILABLE FOR VIEWING ONLINE.
6 A COPY OF THE CONTRACT SHALL BE PROVIDED TO THE BUYER AT THE
7 TIME THE BUYER SIGNS THE CONTRACT; EXCEPT THAT AN ONLINE DATING
8 SERVICE SHALL NOT BE REQUIRED TO PROVIDE A COPY OF THE CONTRACT
9 IF:

10 (I) THE CONTRACT IS AVAILABLE THROUGH A DIRECT WEB LINK
11 THAT IS PROVIDED IN A CLEAR AND CONSPICUOUS MANNER ON THE
12 WEBSITE WHERE THE BUYER PROVIDES CONSENT TO THE CONTRACT; AND

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

15 (b) (I) EACH DATING SERVICE CONTRACT MUST CONTAIN ON ITS
16 FACE, IN CLOSE PROXIMITY TO THE SPACE RESERVED FOR THE SIGNATURE
17 OF THE BUYER, A CONSPICUOUS STATEMENT IN A LARGER SIZE TYPE THAN
18 THE SURROUNDING TEXT; IN CONTRASTING TYPE, FONT, OR COLOR TO THE
19 SURROUNDING TEXT OF THE SAME SIZE; OR SET OFF FROM THE
20 SURROUNDING TEXT OF THE SAME SIZE BY SYMBOLS OR OTHER MARKS IN
21 A MANNER THAT CLEARLY CALLS ATTENTION TO THE LANGUAGE, AS
22 FOLLOWS:

23 YOU, THE BUYER, MAY CANCEL THIS CONTRACT,
24 WITHOUT ANY PENALTY OR OBLIGATION, AT ANY
25 TIME PRIOR TO MIDNIGHT OF THE THIRD
26 BUSINESS DAY FOLLOWING THE DATE OF THIS
27 CONTRACT, EXCLUDING SUNDAYS AND
28 HOLIDAYS. NOTICE OF CANCELLATION NEED NOT
29 TAKE A PARTICULAR FORM AND IS EFFECTIVE IF
30 IT INDICATES YOUR DESIRE TO NOT BE BOUND BY
31 THIS CONTRACT. TO CANCEL THIS CONTRACT,
32 MAIL OR DELIVER A SIGNED AND DATED NOTICE
33 OR SEND A TELEGRAM THAT STATES THAT YOU,
34 THE BUYER, ARE CANCELING THIS CONTRACT, OR
35 WORDS OF SIMILAR EFFECT. SEND THIS NOTICE
36 TO:

37 _____ (NAME OF THE DATING SERVICE THAT SOLD
38 YOU THE CONTRACT)

39 _____ (ADDRESS OF THE DATING SERVICE THAT
40 SOLD YOU THE CONTRACT)

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

45 YOU, THE BUYER, MAY CANCEL THIS CONTRACT,

1 WITHOUT ANY PENALTY OR OBLIGATION, AT ANY
2 TIME PRIOR TO MIDNIGHT OF THE THIRD
3 BUSINESS DAY FOLLOWING THE DATE OF THIS
4 CONTRACT, EXCLUDING SUNDAYS AND
5 HOLIDAYS. NOTICE OF CANCELLATION NEED NOT
6 TAKE A PARTICULAR FORM AND IS EFFECTIVE IF
7 IT INDICATES YOUR DESIRE TO NOT BE BOUND BY
8 THIS CONTRACT. TO CANCEL THIS CONTRACT,
9 SEND AN E-MAIL THAT STATES THAT YOU, THE
10 BUYER, ARE CANCELING THIS CONTRACT, OR
11 WORDS OF SIMILAR EFFECT. SEND THIS NOTICE
12 TO: _____ (E-MAIL ADDRESS OF THE ONLINE
13 DATING SERVICE THAT SOLD THE CONTRACT)

14 (c) (I) EACH DATING SERVICE CONTRACT MUST CONTAIN ON THE
15 FIRST PAGE, IN A TYPE SIZE NO SMALLER THAN THAT GENERALLY USED IN
16 THE BODY OF THE DOCUMENT, THE NAME AND ADDRESS OF THE DATING
17 SERVICE TO WHICH THE NOTICE OF CANCELLATION IS TO BE MAILED OR
18 DELIVERED AND THE DATE THE BUYER SIGNED THE CONTRACT.

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

26 (d) (I) A DATING SERVICE CONTRACT SHALL NOT REQUIRE
27 PAYMENTS OR FINANCING BY THE BUYER OVER A PERIOD EXCEEDING TWO
28 YEARS AFTER THE DATE THE CONTRACT IS ENTERED INTO, NOR SHALL THE
29 TERM OF ANY SUCH CONTRACT BE MEASURED BY THE LIFE OF THE BUYER.
30 HOWEVER, THE SERVICES TO BE RENDERED TO THE BUYER UNDER THE
31 CONTRACT MAY EXTEND OVER A PERIOD BEGINNING WITHIN SIX MONTHS
32 AND ENDING WITHIN THREE YEARS AFTER THE DATE THE CONTRACT IS
33 EXECUTED.

34 (II) NOTWITHSTANDING SUBSECTION (3)(d)(I) OF THIS SECTION, IN
35 THE CASE OF AN ONLINE DATING SERVICE CONTRACT, SAID SUBSECTION
36 (3)(d)(I) DOES NOT APPLY IF THE LENGTH OF THE INITIAL TERM IS ONE
37 YEAR OR LESS AND THE LENGTH OF EACH SUBSEQUENT TERM IS ONE YEAR
38 OR LESS.

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

42 (4) (a) EACH DATING SERVICE CONTRACT MUST CONTAIN
43 LANGUAGE PROVIDING THAT:

44 (I) IF BY REASON OF DEATH OR DISABILITY THE BUYER IS UNABLE
45 TO RECEIVE ALL SERVICES FOR WHICH THE BUYER HAS CONTRACTED, THE

1 BUYER AND THE BUYER'S ESTATE MAY ELECT TO BE RELIEVED OF THE
2 OBLIGATION TO MAKE PAYMENTS FOR SERVICES OTHER THAN THOSE
3 RECEIVED BEFORE DEATH OR THE ONSET OF DISABILITY, EXCEPT AS
4 PROVIDED IN SUBSECTION (4)(a)(III) OF THIS SECTION, SO LONG AS THE
5 BUYER OR THE BUYER'S ESTATE PROVIDES WRITTEN VERIFICATION OF THE
6 DISABILITY TO THE DATING SERVICE.

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

11 (III) IF THE PHYSICIAN VERIFYING THE BUYER'S DISABILITY
12 DETERMINES THAT THE DURATION OF THE DISABILITY WILL BE LESS THAN
13 SIX MONTHS, THE DATING SERVICE MAY EXTEND THE TERM OF THE
14 CONTRACT FOR A PERIOD OF SIX MONTHS AT NO ADDITIONAL CHARGE TO
15 THE BUYER IN LIEU OF CANCELLATION.

16 (b) (I) IF A DATING SERVICE PROVIDES SERVICES WITHIN A LIMITED
17 GEOGRAPHICAL AREA, AND A BUYER RELOCATES THE BUYER'S PRIMARY
18 RESIDENCE MORE THAN FIFTY MILES FROM THE DATING SERVICE OFFICE
19 AND IS UNABLE TO TRANSFER THE CONTRACT TO A COMPARABLE FACILITY,
20 THE BUYER MAY ELECT TO BE RELIEVED OF THE OBLIGATION TO MAKE
21 PAYMENT FOR SERVICES OTHER THAN THOSE RECEIVED PRIOR TO THE
22 RELOCATION, AND IF THE BUYER HAS PREPAID ANY AMOUNT FOR SERVICES,
23 SO MUCH OF THE AMOUNT PREPAID THAT IS ALLOCABLE TO SERVICES THAT
24 THE BUYER HAS NOT RECEIVED SHALL BE PROMPTLY REFUNDED TO THE
25 BUYER. A BUYER WHO ELECTS TO BE RELIEVED OF FURTHER OBLIGATION
26 PURSUANT TO THIS SUBSECTION (4)(b)(I) MAY BE CHARGED A
27 PREDETERMINED FEE NOT TO EXCEED ONE HUNDRED DOLLARS OR, IF MORE
28 THAN HALF THE LIFE OF THE CONTRACT HAS EXPIRED, A PREDETERMINED
29 FEE NOT TO EXCEED FIFTY DOLLARS.

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

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

36 (I) A REFERENCE OR WEB LINK TO DATING SAFETY AWARENESS
37 INFORMATION THAT INCLUDES, AT A MINIMUM, A LIST OR DESCRIPTIONS OF
38 SAFETY MEASURES REASONABLY INTENDED TO INCREASE AWARENESS OF
39 SAFE DATING PRACTICES; AND

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

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

45 (b) ANY DATING SERVICE CONTRACT THAT IS ENTERED INTO BY A

1 BUYER IN RESPONSE TO WILLFULLY FRAUDULENT OR MISLEADING
2 INFORMATION OR ADVERTISEMENTS OF THE DATING SERVICE IS VOID AND
3 UNENFORCEABLE.

4 (c) NOTWITHSTANDING THE PROVISIONS OF ANY DATING SERVICE
5 CONTRACT, IN ANY CASE IN WHICH A CONTRACT PRICE IS PAYABLE IN
6 INSTALLMENTS AND THE BUYER IS RELIEVED FROM MAKING FURTHER
7 PAYMENTS OR ENTITLED TO A REFUND UNDER THIS SECTION, THE BUYER
8 IS ENTITLED TO RECEIVE A REFUND OR REFUND CREDIT OF THAT PORTION
9 OF THE CASH PRICE THAT IS ALLOCABLE TO THE SERVICES NOT ACTUALLY
10 RECEIVED BY THE BUYER. THE REFUND OF ANY FINANCE CHARGE SHALL BE
11 COMPUTED ACCORDING TO THE "SUM OF THE BALANCE METHOD", ALSO
12 KNOWN AS THE "RULE OF 78".

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

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

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

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

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

26 (IV) A WEB LINK THAT PROVIDES INFORMATION REGARDING WAYS
27 TO AVOID ONLINE FRAUD OR BEING DEFRAUDED BY A MEMBER OF AN
28 ONLINE DATING SERVICE.

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

31 (I) CLEAR AND CONSPICUOUS;

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

34 (III) SENT WITHIN TWENTY-FOUR HOURS AFTER THE FRAUD BAN IS
35 INITIATED AGAINST THE BANNED MEMBER; EXCEPT THAT NOTIFICATION
36 MAY BE SENT WITHIN THREE DAYS AFTER THE FRAUD BAN IS INITIATED IF,
37 IN THE JUDGMENT OF THE ONLINE DATING SERVICE, CIRCUMSTANCES
38 REQUIRE ADDITIONAL TIME.

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

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

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

45 (III) DISCLOSING ANY OF THE FOLLOWING INFORMATION:

1 (A) THAT A MEMBER HAS BEEN BANNED;
2 (B) THE USERNAME, IDENTIFICATION NUMBER, OR OTHER PROFILE
3 IDENTIFIER OF THE BANNED MEMBER; OR

4 (C) THE REASON THAT THE ONLINE DATING SERVICE INITIATED THE
5 FRAUD BAN OF A BANNED MEMBER.

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

9 **6-1-732. Automatic renewal contracts - unlawful acts -**
10 **required disclosures - right to cancel - trial period offers - exemptions**
11 **- definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT
12 OTHERWISE REQUIRES:

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

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

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

24 (II) A DESCRIPTION OF THE CANCELLATION POLICY THAT APPLIES
25 TO THE OFFER;

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

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

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

35 (c) "CLEAR AND CONSPICUOUS" OR "CLEARLY AND
36 CONSPICUOUSLY" MEANS IN LARGER TYPE THAN THE SURROUNDING TEXT;
37 IN CONTRASTING TYPE, FONT, OR COLOR TO THE SURROUNDING TEXT OF
38 THE SAME SIZE; OR SET OFF FROM THE SURROUNDING TEXT OF THE SAME
39 SIZE BY SYMBOLS OR OTHER MARKS IN A MANNER THAT CLEARLY CALLS
40 ATTENTION TO THE LANGUAGE. A DISCLOSURE IS NOT "CLEAR AND
41 CONSPICUOUS" IF A CONSUMER MUST CLICK ON ONE OR MORE WEB LINKS
42 TO VIEW THE REQUIRED DISCLOSURE OR IF THE REQUIRED DISCLOSURE IS
43 NOT IMMEDIATELY ADJACENT TO THE WEB LINK WHERE A CONSUMER MUST
44 ENTER INTO AN AUTOMATIC RENEWAL CONTRACT OR PARTICIPATE IN A
45 TRIAL PERIOD OFFER. IN THE CASE OF AN AUDIO DISCLOSURE, "CLEAR AND

1 CONSPICUOUS" OR "CLEARLY AND CONSPICUOUSLY" MEANS IN A VOLUME
2 AND CADENCE SUFFICIENT TO BE READILY AUDIBLE AND
3 UNDERSTANDABLE.

4 (d) "CONSUMER" MEANS AN INDIVIDUAL WHO SEEKS OR ACQUIRES,
5 BY PURCHASE OR LEASE, ANY GOODS, SERVICES, MONEY, OR CREDIT FOR
6 PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES.

7 (e) "TRIAL PERIOD OFFER" MEANS A SOLICITATION OFFERING A
8 CONSUMER A PERIOD OF TIME IN WHICH TO SAMPLE A PRODUCT OR
9 SERVICE, WHICH OFFER IS USED AS AN INDUCEMENT FOR THE CONSUMER
10 TO MAKE A PURCHASE OF THE PRODUCT OR SERVICE OR A SIMILAR
11 PRODUCT OR SERVICE.

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

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

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

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

40 (d) FAIL TO PROVIDE A SIMPLE, COST-EFFECTIVE, TIMELY, AND
41 EASY-TO-USE MECHANISM FOR CANCELING AN AUTOMATIC RENEWAL
42 CONTRACT OR TRIAL PERIOD OFFER. A PERSON IS DEEMED TO COMPLY
43 WITH THIS SUBSECTION (2)(d) IF THE PERSON OFFERS A ONE-STEP
44 CANCELLATION WEB LINK THAT:

45 (I) IS LOCATED ON THE PERSON'S WEBSITE OR CONTAINED IN AN

1 ELECTRONIC COMMUNICATION TO THE CONSUMER; AND
2 (II) INCLUDES REASONABLE PROCEDURES FOR AUTHENTICATING
3 THE IDENTITY OF A 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) EXCEPT AS DESCRIBED IN SUBSECTION (5) OF THIS SECTION,
13 A PERSON THAT SELLS A GOOD OR SERVICE TO A CONSUMER PURSUANT TO
14 AN AUTOMATIC RENEWAL CONTRACT WITH AN INITIAL TERM OF TWELVE
15 MONTHS OR LONGER, WHICH AUTOMATIC RENEWAL CONTRACT WILL
16 AUTOMATICALLY RENEW FOR ANY ADDITIONAL TERM LONGER THAN ONE
17 MONTH OR ON A CONTINUOUS OR RECURRING BASIS, SHALL NOTIFY THE
18 CONSUMER THAT THE AUTOMATIC RENEWAL CONTRACT WILL
19 AUTOMATICALLY RENEW OR CONTINUE UNLESS THE CONSUMER CANCELS
20 THE AUTOMATIC RENEWAL CONTRACT. THE NOTICE MUST BE PROVIDED
21 BY:
22 (I) POSTAL MAIL;
23 (II) E-MAIL; OR
24 (III) ANOTHER EASILY ACCESSIBLE FORM OF COMMUNICATION,
25 SUCH AS A TEXT MESSAGE OR A MOBILE PHONE APPLICATION, IF THE
26 CONSUMER SPECIFICALLY AUTHORIZES THE PERSON TO PROVIDE NOTICE IN
27 SUCH FORM OR IF THE CONSUMER CUSTOMARILY USES SUCH FORM TO
28 COMMUNICATE WITH THE PERSON.
29 (b) A PERSON THAT IS REQUIRED TO PROVIDE A CONSUMER THE
30 NOTICE DESCRIBED IN SUBSECTION (4)(a) OF THIS SECTION SHALL SEND
31 THE NOTICE AT LEAST THIRTY DAYS AND NO MORE THAN SIXTY DAYS
32 BEFORE THE CANCELLATION DEADLINE FOR THE FIRST AUTOMATIC
33 RENEWAL. IF A SUBSEQUENT RENEWAL IS FOR A TERM OF ONE MONTH OR
34 LESS, AND IN THE CASE OF RECURRING TERMS OF ONE MONTH OR LESS, THE
35 PERSON SHALL PROVIDE THE NOTICE ANNUALLY.
36 (c) THE NOTICE DESCRIBED IN SUBSECTION (4)(a) OF THIS SECTION
37 MUST DISCLOSE CLEARLY AND CONSPICUOUSLY:
38 (I) THAT UNLESS THE CONSUMER CANCELS THE AUTOMATIC
39 RENEWAL CONTRACT, THE AUTOMATIC RENEWAL CONTRACT WILL
40 AUTOMATICALLY RENEW OR CONTINUE FOR AN ADDITIONAL SET TERM;
41 (II) THE COST OF THE GOODS OR SERVICES FOR THE TERM OF THE
42 RENEWAL OR CONTINUANCE;
43 (III) THE DEADLINE BY WHICH THE CONSUMER MUST ACT TO
44 CANCEL THE AUTOMATIC RENEWAL CONTRACT TO PREVENT AUTOMATIC
45 RENEWAL;

1 (IV) HOW THE CONSUMER MAY OBTAIN DETAILS OF THE
2 AUTOMATIC RENEWAL PROVISION AND CANCELLATION PROCEDURES,
3 INCLUDING BY CONTACTING THE PERSON AT A SPECIFIED TELEPHONE
4 NUMBER OR E-MAIL ADDRESS OR BY ANOTHER EASILY ACCESSIBLE FORM
5 OF COMMUNICATION, SUCH AS A TEXT MESSAGE OR A MOBILE PHONE
6 APPLICATION; AND

7 (V) IF THE NOTICE IS PROVIDED BY E-MAIL, ONE OR MORE ACTIVE
8 WEB LINKS TO ALLOW THE CONSUMER TO CANCEL THE AUTOMATIC
9 RENEWAL.

10 (5) (a) AN AUTOMATIC RENEWAL CONTRACT WITH A TERM OF
11 TWELVE MONTHS OR LONGER MAY AUTOMATICALLY RENEW AT THE END
12 OF THAT TERM SO LONG AS THE CONSUMER HAS ACCESSED OR USED THE
13 GOODS OR SERVICES DURING THE PREVIOUS SIX MONTHS.

14 (b) NOTWITHSTANDING SUBSECTION (5)(a) OF THIS SECTION, AN
15 AUTOMATIC RENEWAL CONTRACT WITH A TERM OF TWELVE MONTHS OR
16 LONGER MAY AUTOMATICALLY RENEW AT THE END OF THAT TERM
17 REGARDLESS OF WHETHER THE CONSUMER HAS ACCESSED OR USED THE
18 GOODS OR SERVICES DURING THE PREVIOUS SIX MONTHS IF THE CONTRACT
19 IS FOR SEASONAL OR PERIODIC MAINTENANCE, NONPERIODIC
20 MAINTENANCE OR SERVICE, OR REPAIR OR REPLACEMENT OF
21 LANDSCAPING, FURNACES OR OTHER APPLIANCES, OR MECHANICAL OR
22 ELECTRICAL SYSTEMS IN A BUSINESS OR RESIDENCE DUE TO UNEXPECTED
23 DAMAGE OR NORMAL WEAR AND TEAR.

24 (6) (a) A PERSON THAT OFFERS A CONSUMER AN AUTOMATIC
25 RENEWAL CONTRACT WITH A TRIAL PERIOD OFFER THAT INCLUDES THE
26 AUTOMATIC RENEWAL AT THE END OF THE TRIAL PERIOD OFFER SHALL
27 NOTIFY THE CONSUMER, AT LEAST FIFTEEN DAYS BEFORE THE
28 COMMENCEMENT OF THE AUTOMATIC RENEWAL OFFER TERMS, OF THE
29 COMMENCEMENT OF SUCH TERMS AS WELL AS THE RIGHT TO CANCEL THE
30 TRIAL PERIOD OFFER.

31 (b) THE RIGHT TO CANCEL A TRIAL PERIOD SHALL BE AVAILABLE
32 AT ANY TIME DURING THE TRIAL PERIOD OFFER, IN ACCORDANCE WITH
33 SUBSECTION (2)(d) OF THIS SECTION.

34 (7) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
35 CONTRARY, THIS SECTION DOES NOT APPLY TO:

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

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

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

45 (d) A BANK OR BANK HOLDING COMPANY THAT IS LICENSED UNDER

1 STATE OR FEDERAL LAW, OR A SUBSIDIARY OR AFFILIATE OF SUCH A BANK
2 OR BANK HOLDING COMPANY;

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

5 (f) AN AIR CARRIER, AS DEFINED IN, AND TO THE EXTENT
6 REGULATED UNDER, THE "FEDERAL AVIATION ACT OF 1958", 49 U.S.C.
7 SEC. 40101 ET SEQ., AS AMENDED, INCLUDING 49 U.S.C. SEC. 41713 OF
8 THE FEDERAL "AIRLINE DEREGULATION ACT OF 1978", PUB.L. 95-504, AS
9 AMENDED.

10 **SECTION 2. Act subject to petition - effective date -**

11 **applicability.** (1) This act takes effect January 1, 2022; except that, if a
12 referendum petition is filed pursuant to section 1 (3) of article V of the
13 state constitution against this act or an item, section, or part of this act
14 within the ninety-day period after final adjournment of the general
15 assembly, then the act, item, section, or part will not take effect unless
16 approved by the people at the general election to be held in November
17 2022 and, in such case, will take effect on the date of the official
18 declaration of the vote thereon by the governor.

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

22 Page 1, line 102, strike "ITEMS." and substitute "ITEMS, AND, IN
23 CONNECTION THEREWITH, ESTABLISHING REQUIREMENTS REGARDING
24 THE EXECUTION AND ENFORCEMENT OF DATING SERVICE CONTRACTS
25 AND AUTOMATIC RENEWAL CONTRACTS."

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