

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 25-0310.01 Josh Schultz x5486

SENATE BILL 25-145

SENATE SPONSORSHIP

Kipp, Amabile, Ball, Bridges, Coleman, Cutter, Gonzales J., Hinrichsen, Jodeh, Kolker,
Michaelson Jenet, Roberts, Snyder, Wallace, Weissman, Winter F.

HOUSE SPONSORSHIP

Lindsay and Zokaie, Hamrick

Senate Committees

Business, Labor, & Technology

House Committees

Business Affairs & Labor

A BILL FOR AN ACT

101 **CONCERNING THE RIGHT OF A CONSUMER TO CANCEL AUTOMATIC**
102 **RENEWAL CONTRACTS ONLINE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Under current law, if a consumer consents to an automatic renewal contract for a good or service through an online medium, the person that sells the good or service may provide the consumer with an opportunity to cancel the automatic renewal contract either online or in person.

The bill changes this provision to state that the person that sells the good or service is required to provide the consumer with an opportunity

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
3rd Reading Unamended
March 21, 2025

SENATE
Amended 2nd Reading
March 20, 2025

to cancel the automatic renewal contract online if the consumer consented to the automatic renewal contract through an online medium.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 6-1-732, **amend (1)(d); repeal and reenact, with amendments, (2)(d); and add (1)(d.7), (2.5), and (7)** as follows:

6-1-732. Automatic renewal contracts - unlawful acts - required disclosures - right to cancel - trial period offers - exemptions - rules - definitions. (1) As used in this section, unless the context otherwise requires:

(d) "Consumer" means ~~an individual who~~ A PERSON THAT seeks or acquires, by purchase or lease, any goods, services, money, or credit. ~~for personal, family, or household purposes.~~

(d.7) "ONE-STEP ONLINE CANCELLATION" MEANS AN ONLINE METHOD OF CANCELLATION THAT DOES NOT REQUIRE ADDITIONAL ACTION FROM THE CONSUMER WHICH OBSTRUCTS OR DELAYS THE CONSUMER'S ABILITY TO TERMINATE AN AUTOMATIC RENEWAL CONTRACT OR CONTINUOUS SERVICE IMMEDIATELY.

(2) It is unlawful for a person that offers an automatic renewal contract to a consumer in this state to:

(d) FAIL TO PROVIDE A SIMPLE, COST-EFFECTIVE, TIMELY, EASY-TO-USE, AND READILY ACCESSIBLE MECHANISM FOR CANCELING AN AUTOMATIC RENEWAL CONTRACT OR TRIAL PERIOD OFFER. A PERSON IS DEEMED TO COMPLY WITH THIS SUBSECTION (2)(d) IF THE PERSON OFFERS:

(I) A ONE-STEP ONLINE CANCELLATION LINK TO A CONSUMER WHO CONSENTED TO THE AUTOMATIC RENEWAL CONTRACT OR TRIAL PERIOD OFFER THROUGH A WEBSITE OR OTHER ONLINE MEDIUM OR THROUGH AN

1 ELECTRONIC COMMUNICATION, AND THE ONE-STEP ONLINE CANCELLATION
2 LINK IS:

3 (A) LOCATED ON THE PERSON'S WEBSITE OR CONTAINED IN AN
4 ELECTRONIC DEVICE OR SERVICE OR AN ELECTRONIC COMMUNICATION
5 MADE TO THE CONSUMER; AND

6 (B) AVAILABLE TO THE CONSUMER IMMEDIATELY AFTER THE
7 CONSUMER COMPLETES A REASONABLE AUTHENTICATION PROTOCOL USED
8 SOLELY TO CONFIRM THAT THE CONSUMER IS AUTHORIZED TO MAKE
9 CHANGES TO THE ACCOUNT; OR

10 (II) ONE OF THE FOLLOWING MEANS OF CANCELING THE
11 AUTOMATIC RENEWAL CONTRACT TO THE CONSUMER IF THE CONSUMER
12 CONSENTED TO THE AUTOMATIC RENEWAL CONTRACT OR TRIAL PERIOD
13 OFFER THROUGH MEANS OTHER THAN THOSE LISTED IN SUBSECTION
14 (2)(d)(I) OF THIS SECTION:

15 (A) A ONE-STEP ONLINE CANCELLATION LINK THAT IS LOCATED ON
16 THE PERSON'S WEBSITE OR CONTAINED IN AN ELECTRONIC DEVICE OR
17 SERVICE OR AN ELECTRONIC COMMUNICATION MADE TO THE CONSUMER
18 AND AVAILABLE TO THE CONSUMER IMMEDIATELY AFTER THE CONSUMER
19 COMPLETES A REASONABLE AUTHENTICATION PROTOCOL USED SOLELY TO
20 CONFIRM THAT THE CONSUMER IS AUTHORIZED TO MAKE CHANGES TO THE
21 ACCOUNT; OR

22 (B) AN IN-PERSON MECHANISM FOR CANCELING AN AUTOMATIC
23 RENEWAL CONTRACT OR TRIAL PERIOD OFFER THAT IS AT A PHYSICAL
24 LOCATION WHERE THE CONSUMER REGULARLY UTILIZES ANY GOODS OR
25 SERVICES THAT ARE SUBJECT TO THE AUTOMATIC RENEWAL CONTRACT
26 AND SATISFIES THE REQUIREMENTS OF THIS SUBSECTION (2)(d).

27 (2.5) IF A CONSUMER REQUESTS TO CANCEL AN AUTOMATIC

1 RENEWAL CONTRACT BY AN ONLINE SYSTEM, A PERSON MAY DISPLAY A
2 DISCOUNTED OFFER, A RETENTION BENEFIT, OR INFORMATION REGARDING
3 THE EFFECTS OF CANCELLATION IF THE BUSINESS SIMULTANEOUSLY
4 DISPLAYS A PROMINENTLY LOCATED AND CONTINUOUSLY PROXIMATE
5 DIRECT LINK TO CANCEL ALONGSIDE THE PRESENTATION OF THE
6 DISCOUNTED OFFER, RETENTION BENEFIT, OR INFORMATION REGARDING
7 THE EFFECTS OF CANCELLATION. IF THE CONSUMER UTILIZES THE DIRECT
8 LINK TO CANCEL, THE BUSINESS SHALL PROMPTLY PROCESS THE
9 CANCELLATION AND SHALL NOT OTHERWISE OBSTRUCT OR DELAY THE
10 CONSUMER'S REQUEST TO CANCEL.

11 (7) THE ATTORNEY GENERAL MAY ADOPT RULES AS NECESSARY
12 FOR THE PURPOSE OF IMPLEMENTING AND ENFORCING THIS SECTION.

13 **SECTION 2. Act subject to petition - effective date -**
14 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
15 the expiration of the ninety-day period after final adjournment of the
16 general assembly; except that, if a referendum petition is filed pursuant
17 to section 1 (3) of article V of the state constitution against this act or an
18 item, section, or part of this act within such period, then the act, item,
19 section, or part will not take effect unless approved by the people at the
20 general election to be held in November 2026 and, in such case, will take
21 effect on the date of the official declaration of the vote thereon by the
22 governor.

23 (2) This act applies to automatic renewal contracts offered or
24 renewed on or after the applicable effective date of this act.