First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 25-0310.01 Josh Schultz x5486

SENATE BILL 25-145

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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

SENATE rd 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.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, 6-1-732, repeal and
3	reenact, with amendments, $(2)(d)$; and add $(1)(d.7)$, (2.5) , and (7) as
4	follows:
5	6-1-732. Automatic renewal contracts - unlawful acts -
6	required disclosures - right to cancel - trial period offers - exemptions
7	- rules - definitions. (1) As used in this section, unless the context
8	otherwise requires:
9	(d.7) "One-step online cancellation" means an online
10	METHOD OF CANCELLATION THAT DOES NOT REQUIRE ADDITIONAL ACTION
11	FROM THE CONSUMER WHICH OBSTRUCTS OR DELAYS THE CONSUMER'S
12	ABILITY TO TERMINATE AN AUTOMATIC RENEWAL CONTRACT OR
13	CONTINUOUS SERVICE IMMEDIATELY.
14	(2) It is unlawful for a person that offers an automatic renewal
15	contract to a consumer in this state to:
16	(d) FAIL TO PROVIDE A SIMPLE, COST-EFFECTIVE, TIMELY,
17	EASY-TO-USE, AND READILY ACCESSIBLE MECHANISM FOR CANCELING AN
18	AUTOMATIC RENEWAL CONTRACT OR TRIAL PERIOD OFFER. A PERSON IS
19	DEEMED TO COMPLY WITH THIS SUBSECTION $(2)(d)$ IF THE PERSON OFFERS:
20	(I) A ONE-STEP ONLINE CANCELLATION LINK TO A CONSUMER WHO
21	CONSENTED TO THE AUTOMATIC RENEWAL CONTRACT OR TRIAL PERIOD
22	OFFER THROUGH A WEBSITE OR OTHER ONLINE MEDIUM OR THROUGH AN
23	ELECTRONIC COMMUNICATION, AND THE ONE-STEP ONLINE CANCELLATION
24	LINK IS:
25	(A) LOCATED ON THE PERSON'S WEBSITE OR CONTAINED IN AN

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1	ELECTRONIC DEVICE OR SERVICE OR AN ELECTRONIC COMMUNICATION
2	MADE TO THE CONSUMER; AND
3	(B) AVAILABLE TO THE CONSUMER IMMEDIATELY AFTER THE
4	CONSUMER COMPLETES A REASONABLE AUTHENTICATION PROTOCOL USED
5	SOLELY TO CONFIRM THAT THE CONSUMER IS AUTHORIZED TO MAKE
6	CHANGES TO THE ACCOUNT; OR
7	(II) ONE OF THE FOLLOWING MEANS OF CANCELING THE
8	AUTOMATIC RENEWAL CONTRACT TO THE CONSUMER IF THE CONSUMER
9	CONSENTED TO THE AUTOMATIC RENEWAL CONTRACT OR TRIAL PERIOD
10	OFFER THROUGH MEANS OTHER THAN THOSE LISTED IN SUBSECTION
11	(2)(d)(I) of this section:
12	(A) A ONE-STEP ONLINE CANCELLATION LINK THAT IS LOCATED ON
13	THE PERSON'S WEBSITE OR CONTAINED IN AN ELECTRONIC DEVICE OR
14	SERVICE OR AN ELECTRONIC COMMUNICATION MADE TO THE CONSUMER
15	AND AVAILABLE TO THE CONSUMER IMMEDIATELY AFTER THE CONSUMER
16	COMPLETES A REASONABLE AUTHENTICATION PROTOCOL USED SOLELY TO
17	CONFIRM THAT THE CONSUMER IS AUTHORIZED TO MAKE CHANGES TO THE
18	ACCOUNT; OR
19	(B) AN IN-PERSON MECHANISM FOR CANCELING AN AUTOMATIC
20	RENEWAL CONTRACT OR TRIAL PERIOD OFFER THAT IS AT A PHYSICAL
21	LOCATION WHERE THE CONSUMER REGULARLY UTILIZES ANY GOODS OR
22	SERVICES THAT ARE SUBJECT TO THE AUTOMATIC RENEWAL CONTRACT
23	AND SATISFIES THE REQUIREMENTS OF THIS SUBSECTION (2)(d).
24	(2.5) If a consumer requests to cancel an automatic
25	RENEWAL CONTRACT BY AN ONLINE SYSTEM, A PERSON MAY DISPLAY A
26	DISCOUNTED OFFER, A RETENTION BENEFIT, OR INFORMATION REGARDING
27	THE EFFECTS OF CANCELLATION IF THE BUSINESS SIMULTANEOUSLY

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1	DISPLAYS A PROMINENTLY LOCATED AND CONTINUOUSLY PROXIMATE
2	DIRECT LINK TO CANCEL ALONGSIDE THE PRESENTATION OF THE
3	DISCOUNTED OFFER, RETENTION BENEFIT, OR INFORMATION REGARDING
4	THE EFFECTS OF CANCELLATION. IF THE CONSUMER UTILIZES THE DIRECT
5	LINK TO CANCEL, THE BUSINESS SHALL PROMPTLY PROCESS THE
6	CANCELLATION AND SHALL NOT OTHERWISE OBSTRUCT OR DELAY THE
7	CONSUMER'S REQUEST TO CANCEL.
8	(7) THE ATTORNEY GENERAL MAY ADOPT RULES AS NECESSARY
9	FOR THE PURPOSE OF IMPLEMENTING AND ENFORCING THIS SECTION.
10	SECTION 2. Act subject to petition - effective date -
11	applicability. (1) This act takes effect at 12:01 a.m. on the day following
12	the expiration of the ninety-day period after final adjournment of the
13	general assembly; except that, if a referendum petition is filed pursuant
14	to section 1 (3) of article V of the state constitution against this act or an
15	item, section, or part of this act within such period, then the act, item,
16	section, or part will not take effect unless approved by the people at the
17	general election to be held in November 2026 and, in such case, will take
18	effect on the date of the official declaration of the vote thereon by the
19	governor.
20	(2) This act applies to automatic renewal contracts offered or
21	renewed on or after the applicable effective date of this act.

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