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SENATE BILL 25-145

BY SENATOR(S) Kipp, Amabile, Ball, Bridges, Cutter, Gonzales J., Hinrichsen, Jodeh, Kolker, Michaelson Jenet, Roberts, Snyder, Wallace, Weissman, Winter F., Coleman;
also REPRESENTATIVE(S) Lindsay and Zokaie, Hamrick, Bacon, Boesenecker, Brown, Camacho, Clifford, Froelich, Mabrey, Paschal, Ricks, Rutinel, Sirota, Story, Titone, Valdez, Woodrow.

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

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

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

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

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

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

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

(A) A ONE-STEP ONLINE CANCELLATION LINK THAT IS LOCATED ON THE PERSON'S WEBSITE OR CONTAINED IN AN ELECTRONIC DEVICE OR SERVICE OR AN ELECTRONIC COMMUNICATION MADE TO THE CONSUMER AND

AVAILABLE TO THE CONSUMER IMMEDIATELY AFTER THE CONSUMER COMPLETES A REASONABLE AUTHENTICATION PROTOCOL USED SOLELY TO CONFIRM THAT THE CONSUMER IS AUTHORIZED TO MAKE CHANGES TO THE ACCOUNT; OR

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

(2.5) IF A CONSUMER REQUESTS TO CANCEL AN AUTOMATIC RENEWAL CONTRACT BY AN ONLINE SYSTEM, A PERSON MAY DISPLAY A DISCOUNTED OFFER, A RETENTION BENEFIT, OR INFORMATION REGARDING THE EFFECTS OF CANCELLATION IF THE BUSINESS SIMULTANEOUSLY DISPLAYS A PROMINENTLY LOCATED AND CONTINUOUSLY PROXIMATE DIRECT LINK TO CANCEL ALONGSIDE THE PRESENTATION OF THE DISCOUNTED OFFER, RETENTION BENEFIT, OR INFORMATION REGARDING THE EFFECTS OF CANCELLATION. IF THE CONSUMER UTILIZES THE DIRECT LINK TO CANCEL, THE BUSINESS SHALL PROMPTLY PROCESS THE CANCELLATION AND SHALL NOT OTHERWISE OBSTRUCT OR DELAY THE CONSUMER'S REQUEST TO CANCEL.

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

SECTION 2. Act subject to petition - effective date - applicability. (1) Section 6-1-732 (1)(d), Colorado Revised Statutes, as enacted in section 1 of this act, takes effect February 16, 2026, and the remainder of the act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

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

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO