

**BILL SUMMARY**  
1<sup>st</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB1851</b>
<b>Version:</b>	<b>FULLPCS1</b>
<b>Request Number:</b>	<b>13051</b>
<b>Author:</b>	<b>Rep. Schreiber</b>
<b>Date:</b>	<b>3/4/2025</b>
<b>Impact:</b>	<b>\$0</b>

**Research Analysis**

The proposed oversight committee substitute for HB 1851 requires anyone selling goods or services to clearly present automatic contract renewal terms before a contract is executed, including details on cancellation policies, recurring charges, contract length, and any minimum purchase obligations. Consumers must be provided with a simple contract cancellation mechanism, such as a one-step online link or an in-person option. The measure also requires sellers to notify consumers 25 to 40 days before an automatic renewal occurs. However, if the automatic renewal is for a term of less than 12 months, the seller must notify the consumer seven days before the renewal extends the contract beyond 12 months. If there are material changes to the contract, businesses must inform consumers and provide cancellation instructions. Certain industries, including utilities, telecommunications, financial institutions, insurance, and airlines, are exempt from these requirements.

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**Fiscal Analysis**

The FULLPCS1 to HB1851 sets forth statutory requirements for entities that offer the automatic renewal of certain contracts to consumers. In its current form, this measure is not anticipated to have a material impact on state budget or appropriations.

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**Other Considerations**

None.