

SENATE FILE NO. SF0038

Service contracts-automatic renewal provisions.

Sponsored by: Joint Corporations, Elections & Political
Subdivisions Interim Committee

A BILL

for

1 AN ACT relating to consumer protection; specifying
2 requirements for automatic renewal provisions in service
3 contracts; providing remedies for violations; specifying
4 applicability; and providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 40-12-801 through 40-12-803 are
9 created to read:

10

11

ARTICLE 8

12

SERVICE CONTRACT AUTOMATIC RENEWAL PROVISIONS

13

14

40-12-801. Definitions.

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1 (a) As used in this article:

2

3 (i) "Automatic renewal provision" means a
4 provision under which a service contract is renewed at the
5 end of a definite term for a subsequent term unless the
6 consumer gives notice to the seller of the consumer's
7 intention to cancel the contract;

8

9 (ii) "Consumer" means a person receiving
10 merchandise under a service contract for personal, family
11 or household purposes;

12

13 (iii) "Merchandise" includes, except as
14 otherwise provided in this paragraph, any service or any
15 personal property, tangible or intangible, or any other
16 object, ware, good, commodity or article of value wherever
17 situated. "Merchandise" shall not include any right,
18 title, estate or interest in real property including a fee
19 title interest, a leasehold interest, an option contract
20 relating to real property, a real estate purchase agreement
21 or an easement;

22

1 (iv) "Seller" means a person providing
2 merchandise pursuant to a service contract for personal,
3 family or household purposes;

4

5 (v) "Service contract" means a written agreement
6 between a consumer and a seller for the sale or
7 distribution of merchandise where the person receiving the
8 merchandise is the consumer.

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10 **40-12-802. Automatic renewal provisions;**
11 **requirements.**

12

13 (a) A service contract shall not contain an automatic
14 renewal provision that causes the contract to be
15 enforceable for more than six (6) months after the first
16 day the contract becomes enforceable unless the seller
17 provides the consumer written notice as required by this
18 subsection. The written notice shall:

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20 (i) Be written in clear and understandable
21 language conspicuously placed and printed in an easy to
22 read type size and style;

23

1 (ii) Inform the consumer of the terms of the
2 automatic renewal provision;

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4 (iii) No later than thirty (30) calendar days
5 and no sooner than ninety (90) calendar days before the
6 last day on which the consumer may give notice to the
7 seller of the consumer's intention to cancel the contract,
8 be delivered to the consumer in at least one (1) of the
9 following ways:

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11 (A) Personally;

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13 (B) By certified mail;

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15 (C) To an electronic mail address if the
16 consumer has consented to receive written notice by
17 electronic mail;

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19 (D) Prominently displayed on the first page
20 of all statements and receipts delivered to the consumer by
21 the seller during the time period specified in this
22 paragraph.

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1 (b) In addition to the written notice required under
2 subsection (a) of this section, a service contract that
3 contains an automatic renewal provision providing for a
4 renewal term exceeding twelve (12) months shall prominently
5 and conspicuously display the provision on the first page
6 of the contract.

7

8 **40-12-803. Remedy for violation.**

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10 (a) If a seller does not comply with the requirements
11 of W.S. 40-12-802:

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13 (i) The automatic renewal provision is void;

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15 (ii) The service contract shall automatically
16 renew on a month-to-month basis; and

17

18 (iii) The service contract shall be subject to
19 cancellation at any time by the consumer.

20

21 **Section 2.** This act shall apply to service contracts
22 entered into on or after July 1, 2018.

23

1 **Section 3.** This act is effective July 1, 2018.

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3

(END)