

The House Committee on Agriculture and Consumer Affairs offers the following substitute to HB 1224:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 12 of Title 13 of the Official Code of Georgia Annotated, relating to
2 automatic renewal provisions, so as to reduce the applicable period for termination of certain
3 automatic renewal provisions; to provide to consumers an option of having the service
4 contract terminate after its specified period; to provide for related matters; to provide for an
5 effective date and applicability; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 12 of Title 13 of the Official Code of Georgia Annotated, relating to automatic
9 renewal provisions, is amended by revising Code Section 13-12-3, relating to notice to
10 consumer prior to automatic renewal of a service contract, as follows:

11 "13-12-3.

12 (a) Any seller that sells, leases, or offers to sell or lease any service to a consumer pursuant
13 to a service contract for a specified period of 12 months or more and that automatically
14 renews for a specified period of more than one month, unless the consumer cancels the
15 contract, shall provide the consumer with written or electronic notification of the automatic
16 renewal provision. Notification shall be provided to the consumer no less than 30 days or

17 no more than 60 days before the cancellation deadline pursuant to the automatic renewal
18 provision. Such notification shall disclose clearly and conspicuously:

19 (1) That unless the consumer cancels the contract, the contract will automatically renew;
20 and

21 (2) The methods by which the consumer may obtain details of the automatic renewal
22 provision and cancellation procedure, including contacting the seller at a specified
23 telephone number or address, referring to the contract, or any other method.

24 (b) For any contract for service to a consumer that automatically renews for a specified
25 period of more than 24 months, the seller shall, in addition to providing the notification
26 required under subsection (a) of this Code section, obtain the following for the automatic
27 renewal provision of such contract to be enforceable:

28 (1) Written or electronic acknowledgment from the consumer of receipt of the
29 notification required under subsection (a) of this Code section; and

30 (2) An affirmative written or electronic response that the consumer does not intend to
31 terminate the service contract.

32 (c) For any contract for service to a consumer that automatically renews for a specified
33 period of one year or more and that increases the cost to the consumer by 25 percent or
34 more, the seller shall, in addition to providing the notification required under subsection (a)
35 of this Code section, obtain the following for the automatic renewal provision of such
36 contract to be enforceable:

37 (1) Written or electronic acknowledgment from the consumer of receipt of the
38 notification required under subsection (a) of this Code section; and

39 (2) An affirmative written or electronic response that the consumer does not intend to
40 terminate the service contract."

41 **SECTION 2.**

42 This Act shall become effective on December 31, 2026, and shall apply to contracts entered
43 into on or after such date.

44 **SECTION 3.**

45 All laws and parts of laws in conflict with this Act are repealed.