

ADOPTED

Senators Dolezal of the 27th, Watson of the 11th, Kemp of the 38th, Goodman of the 8th, and Howard of the 35th offered the following amendment #1:

1 *Amend SB 131 (LC 33 9827ERS) by replacing lines 1 through the end with the following:*
2 To amend Chapter 12 of Title 13 of the Official Code of Georgia Annotated, relating to
3 automatic renewal provisions, so as to provide to certain consumers a pro rata refund relative
4 to a canceled service contract in the event of a price increase; to provide for related matters;
5 to provide for an effective date and applicability; to repeal conflicting laws; and for other
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

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

12 "13-12-3.

13 (a) Any seller that sells, leases, or offers to sell or lease any service to a consumer pursuant
14 to a service contract for a specified period of 12 months or more and that automatically
15 renews for a specified period of more than one month, unless the consumer cancels the
16 contract, shall provide the consumer with written or electronic notification of the automatic
17 renewal provision. Notification shall be provided to the consumer no less than 30 days or
18 no more than 60 days before the cancellation deadline pursuant to the automatic renewal
19 provision. Such notification shall disclose clearly and conspicuously:

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

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

25 (b) For any contract for service to a consumer that automatically renews for a specified
26 period of one year or more and that increases the cost to the consumer by 50 percent or
27 more, a consumer who fails to terminate a service contract before the automatic renewal
28 cancellation deadline shall, within 30 days after such deadline, be entitled to request from
29 the seller a pro rata refund of any amount paid by such consumer in connection with the
30 renewal of such contract based on the number of days that have elapsed since such contract
31 renewed and when the consumer canceled such contract divided by the total number of
32 days of the specified period of the renewal term.

33 (c) For any contract for service to a consumer that automatically renews for a specified
34 period of more than 24 months, the seller shall, in addition to providing the notification
35 required under subsection (a) of this Code section, obtain the following for the automatic
36 renewal provision of such 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.