

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 532

(SENATE AUTHORS: LATZ, Clausen, Hoffman, Dibble and Sparks)

DATE
02/02/2017

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OFFICIAL STATUS
Introduction and first reading
Referred to Commerce and Consumer Protection Finance and Policy

1.1 A bill for an act
1.2 relating to telecommunications; requiring notice of automatic renewal cancellation;
1.3 proposing coding for new law in Minnesota Statutes, chapter 325F.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. 325F.6931 TELEPHONE SERVICES; AUTOMATIC RENEWAL.

1.6 Subdivision 1. Definitions. (a) The definitions contained in chapter 237 apply to this
1.7 section, and the terms used in this section have the meanings given them in this subdivision.

1.8 (b) "Service subscriber" means a person or entity that contracts with a telephone company
1.9 for telephone services or a telecommunications carrier for telecommunications services,
1.10 whether for commercial or consumer use.

1.11 Subd. 2. Automatic renewals. A contract for telephone or telecommunications services
1.12 must not contain an automatic renewal clause unless the contract also requires that the
1.13 telephone company or telecommunications carrier provide the service subscriber with written
1.14 notice of the automatic renewal clause. The written notice must be in bold ten-point font
1.15 and contain the last day the service subscriber may provide notice of nonrenewal. The
1.16 written notice must be provided to the service subscriber:

1.17 (1) in the initial bill; and

1.18 (2) in any other document that is provided no less than 30 days and no more than 90
1.19 days prior to the last day the service subscriber may provide notice of nonrenewal.

1.20 Subd. 3. Remedy. An automatic renewal clause for which written notice is required
1.21 under subdivision 2 is void and unenforceable if:

- 2.1 (1) the contract does not contain the requirement that the written notice be given; or
- 2.2 (2) written notice is not provided to the service subscriber in compliance with subdivision
- 2.3 2.
- 2.4 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to contracts
- 2.5 entered into or renewed on or after that date.