

# Colorado and Delaware Automatic Renewal Laws Take Effect in 2022

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Subscription services and other automatic renewals continue to be a hot topic, at both the federal and state levels. The FTC recently [announced](#) that it was going to increase its enforcement against companies that don't comply with the law, while various states have been updating or passing new laws. Next up are new laws in Colorado and Delaware.

The key requirements are largely consistent with the ones highlighted by the FTC (and which are also reflected in other state statutes):

- **Disclosure:** Marketers must clearly and conspicuously disclose key terms, such as that the contract will automatically renew unless a consumer cancels, the length of the term, the amount of the charges, and the cancellation policy.
- **Consent:** Marketers must get consent to the autorenewal terms.
- **Reminders:** Marketers must send reminders before a contract renews within a specified timeline. The reminders must generally inform consumers that the subscription will renew unless cancelled, and provide cancellation instructions.
- **Cancellation:** Marketers must establish an easy-to-use cancellation mechanism. For example, if consumers sign up online, they should generally be able to cancel online.

It's important to note that although automatic renewal laws have similar requirements, they can differ in important ways. For example, although the Colorado law applies to most subscription plans, the Delaware law only applies to subscriptions that involve "merchandise" though that term is still defined pretty broadly. And although the Colorado law can only be enforced by the state AG or DAs, the Delaware law also includes a limited private right of action.



Both laws will take effect on January 1, 2022. As our colleagues wrote in a [recent post](#), this is an area where we expect to see more aggressive AG enforcement.