

Summer 2026 Autorenewal Roundup: NYC and Louisiana Enact New Regulatory Requirements

Gonzalo E. Mon, Donnelly L. McDowell, Beth Bolen Chun

July 14, 2026

This summer, the automatic renewal landscape continues to heat up as New York City and Louisiana both added to the growing [patchwork of laws](#) businesses need to consider when offering any subscription or other continuous service offer subject to state autorenewal laws.

New York City

Earlier this year, we [covered](#) the New York City Department of Consumer and Worker Protection's ("DCWP") proposed rule governing the cancellation of automatic renewal and continuous service subscriptions. That proposal has now been finalized and will take effect on October 1, 2026.

Followers of this blog and the FTC will recognize familiar names in Mayor Mamdani's [press release](#) on the rule, with current DCWP Commissioner and former FTC BCP Director Sam Levine and former FTC Chair Lina Khan touting the final NYC "Click to Cancel" Rule and a newly proposed "Junk Fees" Rule. Notably, NYC [already](#) proposed and finalized a rule prohibiting a "hotel junk fees" rule earlier this year that prohibits advertising a price for a hotel without clearly and conspicuously disclosing the total price of the stay, including all mandatory fees. (Stay tuned for our coverage of the newly proposed, more broadly applicable NYC fees rule announced last week.)

Here's a summary of the NYC "Click to Cancel" [Rule](#):

- **Scope and Definitions, Disclosure, Consent, and Notice:** With a few exceptions, the rule applies broadly to most businesses that offer an "automatic renewal"—a plan in which a paid subscription or purchasing agreement is automatically renewed at the end of a definite term—or a "continuous service"—a plan that continues until the consumer cancels. Before requesting consent or billing information, businesses must present all material terms, including specific disclosures related to the nature of the product, frequency of charges, and cancellation deadline, "clearly and conspicuously" and in "visual proximity" (or "temporal proximity" for voice offers) to the consent request. Reminders are required for certain longer-term subscriptions, material changes, and free trials longer than one month at specified time intervals. These provisions mirror the New York state law.
- **Cancellation Mechanism Requirements:** Like the state law, businesses must provide consumers a "simple cancellation mechanism" that is "as easy to use as" and "through all mediums by which the business allows a consumer to provide affirmative consent." The rule also prohibits imposing "unreasonable or unlawful conditions" on cancellation. In a slight

variation, if consent was obtained in person, the business must additionally offer an online cancellation option, where practical (whereas the state law allows for telephone cancellation).

- **Enforcement and Remedies:** What gives this rule extra teeth is that it provides the City with additional remedies, so it can go on its own to pursue violations of what was essentially a state law. It provides for restitution: a business found in violation is liable for the amount charged after the consumer's first attempt at cancellation. Civil penalties follow an escalating schedule: \$525 for a first violation or default, \$1,050 for a second, and \$3,500 for a third and subsequent violation. These amounts can accumulate quickly for businesses with large subscriber bases, especially as a violation of this Rule could come under separate enforcement by both the City and the State.

Louisiana

Louisiana passed its own "Click to Cancel Act," which will take effect on January 1, 2027. As with other automatic renewal laws, the Act requires clear and conspicuous disclosure of terms in visual proximity to the request for acceptance of the offer before the purchasing agreement is fulfilled. Affirmative consent is required "to an agreement that clearly and conspicuously displays the automatic renewal terms." The law requires an acknowledgment containing the terms. A notice of material changes is required, as is a renewal notice for annual or longer contracts or any trial period conversion, at least three days prior to the renewal/conversion.

Here are some other notable provisions:

- The Act prohibits businesses from presenting consumers with information that contradicts or undermines the ability to provide express affirmative acceptance to the automatic renewal offer.
- The Act requires businesses to maintain "reasonable business records" demonstrating that a consumer provided consent for at least one year from the formation of the contract.
- Despite being called "Click to Cancel," the Act does not specifically require online cancellation. It permits "a cost-effective, timely, and easy-to-use mechanism" for cancellation that is not "unreasonably burdensome or designed to deter cancellation." The mechanism can include online, email, phone, "or another commonly used communication method."
- The Act broadly exempts any businesses with less than 50 employees or annual gross revenue of less than \$5 million (though other provisions in the statute conflict on this point).

Violations will be subject to penalty of up to \$500 per violation. However, prior to initiating any enforcement action, the Louisiana Attorney General must provide a business written notice of the alleged violation. If a business cures the violation within 30 days and provides written confirmation of that cure, the AG may not impose a penalty for that violation.

Getting Ready for Compliance

With October 1, 2026 approaching, businesses with subscribers or recurring-charge customers in New York City should assess their practices in light of the new rule. Prior to the new year, companies doing business in Louisiana should also update their renewal notice regimes and business record practices. Both new enforcement mechanisms share a lot in common with the growing patchwork of state laws, but there are various nuances within that patchwork that businesses need to pay attention to. We expect to see a lot of continued enforcement on automatic renewal issues at the

federal, state, and now, local levels.