

West's Oregon Revised Statutes Annotated  
Title 50. Trade Regulations and Practices  
Chapter 646A. Trade Regulation (Refs & Annos)  
Credit and Purchasing  
(Automatic Renewal and Continuous Service Offers)

O.R.S. § 646A.295

646A.295. **Automatic renewal** or continuous services offer; prohibited practices; notice of material change in terms; time for compliance; unconditional gift; exemptions

Currentness

(1) It is unlawful for a person that makes an **automatic renewal** or continuous service offer to a consumer in this state to do any of the following:

(a) Fail to present the **automatic renewal** offer terms or continuous service offer terms in a clear and conspicuous manner before a subscription or purchasing agreement is fulfilled and in visual proximity, or in the case of an offer conveyed by voice, in temporal proximity, to the request for consent to the offer.

(b) Charge the consumer's credit or debit card or payment account with a third party for an **automatic renewal** or continuous service without first obtaining the consumer's affirmative consent to the agreement containing the **automatic renewal** offer terms or continuous service offer terms.

(c) Fail to provide an acknowledgment that includes the **automatic renewal** offer terms or continuous service offer terms and information regarding how to cancel in a manner that is capable of being retained by the consumer. If the offer includes a free trial, the person shall also disclose in the acknowledgment how to cancel and allow the consumer to cancel before the consumer pays for the goods or services.

(2) A person making **automatic renewal** or continuous service offers shall provide a toll-free telephone number, electronic mail address, a post-office address only when the person directly bills the consumer, or another cost-effective, timely and easy-to-use mechanism for cancellation that must be described in the acknowledgment required by subsection (1)(c) of this section.

(3) In the case of a material change in the terms of the **automatic renewal** or continuous service offer that has been accepted by a consumer, the person shall provide the consumer with a clear and conspicuous notice of the material change and provide information regarding how to cancel in a manner that is capable of being retained by the consumer.

(4) The requirements of this section must be met prior to the completion of the initial order for the **automatic renewal** or continuous service, except as follows:

(a) The requirement in subsection (1)(c) of this section may be fulfilled after completion of the initial order.

(b) The requirement in subsection (3) of this section must be fulfilled prior to implementation of the material change.

(c) The requirements in subsection (1)(a) and (c) of this section may be fulfilled in the initial billing statement or invoice provided to the consumer when the person directly bills the consumer.

(5) In the event a person sends goods, wares, merchandise or products to a consumer under a continuous service agreement or pursuant to an **automatic renewal** of a purchase without first obtaining the consumer's affirmative consent as required in subsection (1) of this section, the goods, wares, merchandise or products shall for all purposes be deemed an unconditional gift to the consumer who may use or dispose of them in any manner the consumer sees fit without any obligation to the person including, but not limited to, requiring the consumer to ship, or bear the cost of shipping, any goods, wares, merchandise or products to the person.

(6) The following are exempt from the requirements of this section:

(a) A person that provides a service pursuant to a franchise issued by a political subdivision of the state or a license, franchise, certificate or other authorization issued by the Public Utility Commission of Oregon.

(b) A person that provides a service regulated by the Public Utility Commission of Oregon, the Federal Communications Commission or the Federal Energy Regulatory Commission.

(c) A person regulated by the Department of Consumer and Business Services under the Insurance Code.

(d) A bank, bank holding company, or the subsidiary or affiliate of either, or a credit union or other financial institution or trust company as those terms are defined in ORS 706.008, that is licensed under state or federal law.

(e) A person that is regulated as a service contract seller under ORS 646A.150 to 646A.172.

(f) A consumer finance company licensed under ORS chapter 725.

(g) A person that provides direct-to-home satellite services subject to regulation by the Federal Communications Commission.

#### **Credits**

Added by Laws 2011, c. 509, § 3, eff. Jan. 1, 2012.

O. R. S. § 646A.295, OR ST § 646A.295

Current through laws enacted in the 2020 Regular Session of the 80th Legislative Assembly, which adjourned sine die March 3, 2020; laws enacted in the First Special Session of the 80th Legislative Assembly, which adjourned sine die June 26, 2020; and laws enacted during the Second Special Session of the 80th Legislative Assembly, which adjourned sine die August 10, 2020, pending classification of undesignated material and text revision by the Oregon Reviser. See ORS 173.160.

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