

SENATE BILL NO. 535

September 10, 2025, Introduced by Senator SINGH and referred to Committee on Finance, Insurance, and Consumer Protection.

A bill to amend 1976 PA 331, entitled
"Michigan consumer protection act,"
(MCL 445.901 to 445.922) by adding section 3j.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3j. (1) A person engaged in trade or commerce that sells,
2 leases, or offers to sell or lease a service or good to a consumer
3 under a consumer contract with an automatic renewal provision shall
4 disclose the automatic renewal provision clearly and conspicuously
5 in not less than 14-point type in the contract or contract offer. A

1 disclosure under this subsection must include all of the following:

2 (a) That the contract will automatically renew if the consumer
3 agrees to the contract.

4 (b) The length of the initial term of the contract and the
5 length of each renewal period under the contract.

6 (c) The amount to be charged to the consumer for the initial
7 term of the contract and the amount to be charged to the consumer
8 for any renewal period, including, but not limited to, both of the
9 following:

10 (i) The terms of any promotional or discounted price for a
11 limited period of time.

12 (ii) If the contract or contract offer includes a free gift or
13 trial, a clear and conspicuous explanation of the price that will
14 be charged after the trial ends or the manner in which the pricing
15 will change on conclusion of the free gift or trial period.

16 (d) If any terms of the contract will change on contract
17 renewal, a list and explanation of those terms.

18 (e) The specific procedure by which the consumer may cancel
19 the contract at the end of the initial term of the contract or any
20 renewal period and, if the contract or contract offer includes a
21 free gift or trial, the specific procedure by which the consumer
22 may cancel the contract at the end of the free gift or trial
23 period.

24 (f) That the consumer may cancel the contract up to the day
25 before the renewal is processed.

26 (g) An email address, mailing address, or other cost-
27 effective, timely, and easy-to-use mechanism that the consumer may
28 use to cancel the contract.

29 (2) A person engaged in trade or commerce shall not

1 automatically renew a consumer contract for a specified period of
2 more than 2 months unless the person provides the consumer with
3 electronic notice before the end of the contract term that meets
4 both of the following requirements:

5 (a) Sets forth in a clear and conspicuous manner in not less
6 than 14-point type all of the following:

7 (i) That unless the consumer cancels the contract, the contract
8 will automatically renew.

9 (ii) That the consumer may cancel the contract up to the day
10 before the renewal is processed.

11 (iii) A list and explanation of any terms of the contract that
12 will change on contract renewal.

13 (iv) The specific procedure by which the consumer may cancel
14 the contract.

15 (v) An email address, mailing address, toll-free telephone
16 number, or other cost-effective, timely, and easy-to-use mechanism
17 that the consumer may use to cancel the contract.

18 (b) Is served on the consumer not less than 30 days and not
19 more than 60 days before the last day on which the consumer may
20 give notice of the consumer's intent to cancel the contract.

21 (3) A person engaged in trade or commerce shall electronically
22 notify the consumer every 6 months that the consumer is subscribed
23 to the person's service and that the consumer will continue to pay
24 if no action is taken by the consumer. If a person is a facility
25 that provides the consumer with physical or tangible equipment for
26 use on-site or otherwise outside of the consumer's principal
27 residence, the person shall electronically notify the consumer
28 annually that the consumer is subscribed to the person's service
29 and that the consumer will continue to pay if no action is taken by

1 the consumer.

2 (4) A person engaged in trade or commerce shall not do any of
3 the following:

4 (a) Fail to allow the consumer a minimum of 30 calendar days
5 after the receipt of the electronic notice under subsection (2) to
6 give notice of the consumer's intent to cancel the contract at the
7 end of the initial term or at the end of any additional renewal
8 period.

9 (b) Fail to honor a cancellation notice timely given by a
10 consumer under this section, regardless of whether the person
11 receives the cancellation notice before or after the expiration of
12 the notice period.

13 (c) Charge an additional cost or penalty to cancel a contract
14 at the end of the initial term, at the end of any additional
15 renewal period, or, if applicable, at the end of a free gift or
16 trial period.

17 (5) A person engaged in trade or commerce shall provide a
18 consumer who accepts a consumer contract with an automatic renewal
19 provision an easy-to-use mechanism to cancel the contract. If a
20 consumer uses an easy-to-use mechanism to cancel a contract under
21 this subsection, the consumer must promptly receive a confirmation
22 of cancellation.

23 (6) A consumer contract that is contrary to this section is
24 voidable by the consumer.

25 (7) This section applies only to a contract that takes effect
26 or is extended, renewed, or modified after the effective date of
27 the amendatory act that added this section.

28 (8) This section does not apply to a business, or any
29 affiliate of that business, offering telephone, wireless, or

1 broadband services that is regulated by the Michigan public service
2 commission.

3 (9) As used in this section:

4 (a) "Automatic renewal provision" means a provision under
5 which a consumer contract is renewed for a specified period of more
6 than 1 month unless the consumer gives notice of the consumer's
7 intent to cancel the contract.

8 (b) "Clear and conspicuous" or "clearly and conspicuously"
9 means in larger type than the surrounding text, or in contrasting
10 type, font, or color to the surrounding text of the same size, or
11 set off from the surrounding text of the same size by symbols or
12 other marks, in a manner that clearly calls attention to the
13 language.

14 (c) "Consumer contract" or "contract" means a contract for the
15 sale or lease of a service or good to a consumer. Consumer contract
16 does not include any of the following contracts:

17 (i) A contract by a person or entity that is regulated under
18 the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302,
19 or by an affiliate of an entity under this subparagraph.

20 (ii) A service contract as that term is defined in section 125
21 of the insurance code of 1956, 1956 PA 218, MCL 500.125.

22 (iii) A contract that is cancelable by the consumer at any time
23 for a pro rata refund of any unearned amounts.

24 (d) "Easy-to-use mechanism" means a clear, readily accessible,
25 and user-friendly method that a consumer can use to cancel a
26 contract with an automatic renewal provision regardless of the
27 method that the consumer initially used to enter into the contract.
28 Easy-to-use mechanism includes, but is not limited to, both of the
29 following methods:

1 (i) If the person engaged in trade or commerce maintains a
2 public website for business purposes, a dedicated and easily
3 discoverable option on the public website with a minimal number of
4 straightforward steps.

5 (ii) An easily accessible toll-free telephone number that is
6 answered during normal business hours.

7 Enacting section 1. This amendatory act does not take effect
8 unless Senate Bill No. 536 of the 103rd Legislature is enacted into
9 law.