

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H3/20/03

A Bill

HOUSE BILL 2732

5 By: Representative Rankin
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For An Act To Be Entitled

9 AN ACT TO PROTECT CONSUMERS BY PROHIBITING THE
10 *AUTOMATIC RENEWAL OF SERVICES CONTRACTS; AND FOR*
11 *OTHER PURPOSES.*

Subtitle

13 AN ACT TO PROTECT CONSUMERS BY
14 PROHIBITING THE AUTOMATIC RENEWAL OF
15 *SERVICES CONTRACTS.*
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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20 *SECTION 1. Automatic renewal of certain contracts prohibited.*

21 *(a) No contract for the service to, maintenance of, or repair to any*
22 *real or personal property that is entered into as of the effective date of*
23 *this act shall state that the term of the contract will automatically be*
24 *renewed for any additional period beyond the initial term of the contract.*

25 *(b) No contract under subsection (a) shall be renewed for any*
26 *additional period beyond the initial term of the contract unless the person*
27 *receiving the service, maintenance, or repair affirmatively notifies the*
28 *person offering the service, maintenance, or repair that he or she wishes to*
29 *renew the contract.*

30 *(c) This act does not affect the initial term of a contract under*
31 *subsection (a), and does not prohibit any person from offering to renew a*
32 *contract under subsection (a).*

33 *(d) If a contract under this section is renewed in violation of this*
34 *section, the person receiving the service maintenance, or repair may void the*
35 *contract and shall not be obligated to perform under the contract, as*
36 *renewed.*



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/s/ Rankin