

May 14, 2021

Senator Robert Rodriguez  
Chair, Senate Business, Labor, & Technology Committee  
200 E. Colfax Avenue, RM 346  
Denver, CO 80203

*Sent by email: [robert.rodriguez.senate@state.co.us](mailto:robert.rodriguez.senate@state.co.us)*

Dear Senator Rodriguez:

We are thankful that extensive good-faith discussions with Colorado legislators and representatives of the Attorney General's office have improved HB 21-1239, the automatic renewal legislation pending before your committee. However, changes are still needed to two of the bill's provisions to ensure the law is workable for magazine publishers and helpful to our readers, and all consumers:

- 1. Annual subscription renewal notices should be sent 30-60 days before renewal to allow time for us to effect cancellation before magazine issues are printed and mailed. Thirty days is too short for magazine subscriptions.**
- 2. Consistent with the dating section of HB 21-1239, the automatic renewal provision should not create a private right of action.**

MPA represents about 500 magazine media brands. From large multi-media enterprises to small independent publications, MPA members inform, inspire and entertain 4 million Coloradans, with an average of 1.8 subscriptions per Colorado household. Our readers depend on our publications for reliable news and information – needed by society now more than ever. Further, magazines are an important part of the Colorado economy, part of the arts, sports and media industry that employs more than 39,000 people in Colorado. In addition, the magazine industry supports thousands of indirect and induced jobs in Colorado.

**On behalf of our member companies that are based in Colorado and/or serve Colorado readers, we urge you to address the following outstanding issues to make HB 21-1239 workable for magazine publishers while still protecting consumers with a robust automatic renewal regulation.** Magazine publishers depend on a stable subscriber base, and our readers benefit from the uninterrupted service and convenience of automatic renewal of their magazine subscriptions.

**1. Requiring that reminders are sent less than 30 days before an automatic renewal will not allow adequate time for us to cancel a reader's subscription before the next issue of a magazine needs to be printed and mailed.** While initial versions of HB 21-1239 set a range of 30-60 days for reminders, the current version requires that annual notices be sent no more than 30 days before renewal. This is not feasible for magazine subscriptions.

Magazine publishers use external fulfillment bureaus to maintain their subscriber lists. These bureaus are tasked with sending each issue's mailing list to the printer as well as handling renewal notifications. The renewal notices and mailing list preparation are tied closely together and must be done for the entire country at the same time because magazine issues are printed at the same time for the entire country. All subscribers across the country that are up for renewal in a given month will be sent a renewal notice in time for cancellations to be returned before that month's issue(s) is printed and mailed, usually around 45 days before the cancellation deadline.

If Colorado requires notice no more than 30 days before the deadline, not only would publishers have to do a separate mailing for Colorado readers, but it is likely we would not have time to get the consumers removed from the mailing list before the next issue mails. That increases publishers' costs for an issue we will not be paid for and will confuse consumers who just told us to cancel their subscription. They may call our toll-free number to complain, assuming we have ignored their instructions, when of course we haven't.

Amending the time frame to 30-60 days prior to renewal is actually *more beneficial* to consumers because it gives consumers *more time* in which to cancel their subscription after receiving a reminder. For this reason and to provide flexibility to businesses, most states set a 30–60-day range for reminders, as HB 21-1239 initially did. Having a shorter timeframe in Colorado will not benefit consumers and may cause confusion, while leaving companies inadequate time to effect cancellations and facing increased costs. **We urge you to change the timeframe for annual renewal notices to 30-60 days before renewal.**

**2. Colorado businesses – including magazine publishers – need an explicit safeguard from frivolous lawsuits for minor, unintentional mistakes.** While one part of HB 21-1239 provides protection from a private right of action, the automatic renewal section of the bill does not. An early or late notice is not likely to harm a consumer, but the court costs for defending against minor errors could be catastrophic for Colorado's small businesses and cause uncertainty for all businesses. Other states include a good-faith provision that allows correction of mistakes without a private right of action and ensures that mistakes that do not cause consumer harm do not trigger penalties. **We urge you to protect Colorado publishers by explicitly precluding a private right of action.**

We are happy to provide additional information or answer any questions. Thank you for your consideration.

Sincerely,

Rita D. Cohen  
Senior Vice President, Legislative and Regulatory Policy  
MPA – The Association of Magazine Media

CC: Members of the Senate Business, Labor, & Technology Committee