

Legislative Analysis



MILITARY PERSONNEL WIRELESS CONTRACT ACT

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House Bill 5932

Sponsor: Rep. Richard LeBlanc

Committee: Military and Veterans Affairs and Homeland Security

Complete to 9-19-08

A SUMMARY OF HOUSE BILL 5932 AS INTRODUCED 4-8-08

The bill would create the Military Personnel Wireless Contract Act to allow a service member who is deployed on active duty for 180 days or more, or a spouse acting on a service member's behalf, to terminate any contract with a cell phone provider if (a) the service member is party to the contract, (b) the contract is entered into on or after the effective date the act, and (c) the contract is executed before the service member is deployed on active duty.

Conditions of Contract Termination. Under the bill, a termination of a contract is effected on the date that all of the following are met: (a) the deployed active duty service member (or spouse) provides the cell phone provider, by certified mail, a written notice of the intention to terminate the contract, a copy of the orders calling the service member to active duty, and a copy of any orders further extending the service member's period of active duty; and (b) any cell phone equipment not owned by the service member and acquired from the provider would be returned to its custody or control within 30 days after the delivery of the written notice.

If a contract is terminated, the cell phone provider could not impose any early termination charge. However the service member would remain responsible for any use charges incurred before termination.

Civil Action by Cell Phone Provider and Attorney General. In addition to any other penalty provided by law, the attorney general could file a civil action in which the court could impose on a cell phone provider a civil fine of up to \$2,000 for each violation. Money recovered from such actions would be forwarded to the state treasurer for deposit into the Military Family Relief Fund as provided by the Military Family Relief Act of 2004.

FISCAL IMPACT:

There would be an indeterminate fiscal impact on state government and local government. It is unknown how many cell phone provider contracts would be terminated by eligible active duty service members under this bill and how many civil actions would be filed by the attorney general for cell phone providers that violate the conditions of this bill. The Military Family Relief Fund would receive money recovered by the attorney general for these civil actions, but the amount that would be forwarded to the Military

Family Relief Fund cannot be determined. The attorney general may generate some expenses for filing civil actions, and the courts may also generate both expenses and revenues for these civil action.

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