

Cell Phone Contract Cancellations

Normally, if you had to move before your cellular phone service contract was up, you could expect to pay an outrageous penalty. Such an “early contract termination fee” typically costs \$150 to \$250. That fee, when piled onto various unexpected charges, is often why many customers love to hate their cell phone company.

Numerous service members have had cellular telephone service contracts that were entered after entry onto active duty. Those service members then either deployed or transferred overseas or within the US. They were charged the standard contract termination fees. Prior to moving, the service members notified the cell phone provider of their move to avoid the fee. In a few cases the service members were asked for a copy of their orders to get the termination fee waived. However, not all vendors have been willing to waive the fees so easily.

A new law has made jumping the cell phone ship more straightforward and doable by service members. The Servicemembers Civil Relief Act was recently amended to require cell phone providers to cancel or suspend contracts free of charge under certain circumstances: (1) deployment outside CONUS for at least 90 days or (2) permanent change of station (PCS) within the US.

The service member must make a request to the cellular phone company before the deployment or PCS begins and include a copy of the military orders. The request must explain that the service member’s “ability to satisfy the contract or to utilize the service will be materially affected by such deployment or permanent change.” Generally that means the phone can’t be used or won’t work at the new location.

The cell phone company can’t impose an early termination fee for termination of the contract or a reactivation fee for suspension of the contract. In the case that the service member is deployed outside CONUS for at least 90 days, the company can’t require, as a condition of suspending the contract, that the service member extend the contract upon return.

Be advised that the new law does not offer any of the above protections for service members who have orders for a regular PCS to a location outside the US. That omission is an inconsistency and a definite weakness in the law.

If you have any questions about your various rights under the Servicemembers Civil Relief, call the Legal Assistance Office at 242-5084 for an appointment. We are open Monday through Friday, 0800 to 1600, and one Saturday morning each month.

Below is the text of the amendment to the SCRA:

50 USC Appendix § 535a

§ 535a. Termination or suspension of contracts for cellular telephone service

(a) In general. A servicemember who receives orders to deploy outside of the continental United States for not less than 90 days or for a permanent change of duty station within the United States may request the termination or suspension of any contract for cellular telephone service entered into by the servicemember before the date of the commencement of such deployment or permanent change if the servicemember's ability to satisfy the contract or to utilize the service will be materially affected by such deployment or permanent change. The request shall include a copy of the servicemember's military orders.

(b) Relief. Upon receiving the request of a servicemember under subsection (a), the cellular telephone service contractor concerned shall--

(1) grant the requested relief without imposition of an early termination fee for termination of the contract or a reactivation fee for suspension of the contract; or

(2) in the case that such servicemember is deployed outside the continental United States as described in subsection (a), permit the servicemember to suspend the contract at no charge until the end of the deployment without requiring, whether as a condition of suspension or otherwise, that the contract be extended.

(c) Cellular telephone service defined. In this section, the term "cellular telephone service" has the meaning given the term "commercial mobile service" in section 332(d) of the Communications Act of 1934 (*47 U.S.C. 332(d)*).