

BILL ANALYSIS

Senate Research Center
85R11736 TSR-D

S.B. 1739
By: Miles
Business & Commerce
4/8/2017
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1739 allows active duty military service members to suspend or cancel contracts with cable, health spa, Internet, telecommunications, and video service providers without receiving any penalties or fees. The active duty military member must provide written notice and documentation proving they received official orders calling them to active duty. The service provider must suspend or terminate the contract within one business day of receiving written notice from the active duty military member, two if received on a weekend or holiday. Those brave men and women should not be penalized for risking their lives to protect our freedom.

As proposed, S.B. 1739 amends current law relating to the suspension, termination, and reinstatement of certain services provided to military service members who are serving on active duty.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 12, Business & Commerce Code, by adding Chapter 606, as follows:

CHAPTER 606. SUSPENSION, TERMINATION, OR REINSTATEMENT OF CERTAIN SERVICES FOR ACTIVE DUTY MILITARY SERVICE MEMBERS

Sec. 606.001. DEFINITIONS. Defines "active duty military service," "cable service," "cable service provider," "video service," "video service provider," "health spa," "health spa services," "health spa services provider," "Internet service provider," "military service member," "service provider," "state active duty," "Texas military forces," and "telecommunications provider."

Sec. 606.002. SUSPENSION OR TERMINATION OF CERTAIN SERVICES FOR ACTIVE DUTY MILITARY SERVICE MEMBERS. (a) Provides that this section applies only to certain services.

(b) Authorizes a certain military service member (member) who receives any of the described services from a service provider and who is called to active duty military service to, except as provided by Subsection (i), suspend or terminate the provision of the services by providing a written notice of suspension or termination to the service provider (provider) and the documentation required by Subsection (c).

(c) Requires a member who provides a written notice as described by Subsection (a) to also provide to the provider proof of the member's official orders calling the member to active duty military service at a certain time or by a certain day.

(d) Requires a provider to suspend or terminate the service provided by the provider to a member on a certain day.

(e) Provides that the suspension or termination of the service is effective on the applicable suspension or termination date prescribed by Subsection (d). Provides that, except as provided by Subsection (f), a member is not liable for the payment of any service suspended or terminated under this section after the effective date of the suspension or termination unless and until the member reinstates the service as provided by Section 606.003.

(f) Authorizes the provider, if a provider does not receive the proof of the official orders as required by Subsection (c), to reinstate the suspended or terminated service. Provides that the member who requested the suspension or termination is liable for the payment of that service from the original effective date of the suspension or termination until the date the service member provides the required proof to the service provider. Provides that the effective date of a suspension or termination of a reinstated service as provided by this subsection becomes the date on which the provider receives the required proof.

(g) Prohibits a provider from, except as provided by this section, charging a penalty, fee, loss of deposit, or any other additional cost due to a suspension or termination of a service under this section.

(h) Authorizes a member to reinstate a service that is suspended or terminated under this section in the manner provided by Section 606.003.

(i) Authorizes a member to terminate a contract for cellular telephone service or telephone exchange service in the manner provided by 50 U.S.C. Section 3956, if applicable.

Sec. 606.003. REINSTATEMENT OF CERTAIN SERVICES FOR ACTIVE DUTY MILITARY SERVICE MEMBERS. (a) Authorizes a member who suspends or terminates a service under Section 606.002 and whose period of active duty military service has ended to reinstate the service by providing a certain notice or document.

(b) Requires a provider that receives a written notice of reinstatement of a service and the documentation required by Subsection (a)(2) (relating to a certain military service member reinstating the service by providing a document evidencing proof of the date the active duty military service ends not later than a certain date) to provide the same or similar services in a certain manner.

(c) Requires a provider to reinstate a service as provided by Subsection (b) within a reasonable time, but not later than the 30th day after the date the provider receives a written notice of reinstatement.

(d) Prohibits a provider from charging a penalty, fee, loss of deposit, or other additional cost due to a reinstatement of services under this section.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2017.