

Statutory Notes and Related Subsidiaries**EFFECTIVE AND TERMINATION DATES OF 2012 AMENDMENT; REVIVAL**

Pub. L. 112-154, title VII, §710(c), Aug. 6, 2012, 126 Stat. 1208, provided that: “The amendments made by subsections (a) and (b) [amending this section] shall take effect on the date that is 180 days after the date of the enactment of this Act [Aug. 6, 2012].”

Pub. L. 112-154, title VII, §710(d)(1), Aug. 6, 2012, 126 Stat. 1208, as amended by Pub. L. 113-286, §2(1), Dec. 18, 2014, 128 Stat. 3093; Pub. L. 114-142, §2(1), Mar. 31, 2016, 130 Stat. 326; Pub. L. 115-91, div. A, title V, §557(1), Dec. 12, 2017, 131 Stat. 1405, which provided that the amendments made by subsecs. (a) and (b) of section 710 of Pub. L. 112-154 (amending this section) would expire on Dec. 31, 2019, was repealed by Pub. L. 115-174, title III, §313, May 24, 2018, 132 Stat. 1356.

Pub. L. 112-154, title VII, §710(d)(3), Aug. 6, 2012, 126 Stat. 1208, as amended by Pub. L. 113-286, §2(2), Dec. 18, 2014, 128 Stat. 3093; Pub. L. 114-142, §2(2), Mar. 31, 2016, 130 Stat. 326; Pub. L. 115-91, div. A, title V, §557(2), Dec. 12, 2017, 131 Stat. 1405, which provided that, effective Jan. 1, 2020, the provisions of subsecs. (b) and (c) of this section, as in effect on July 29, 2008, would be revived, was repealed by Pub. L. 115-174, title III, §313, May 24, 2018, 132 Stat. 1356.

EFFECTIVE DATE OF 2008 AMENDMENT

Pub. L. 110-289, div. B, title II, §2203(c), July 30, 2008, 122 Stat. 2850, as amended by Pub. L. 111-346, §2, Dec. 29, 2010, 124 Stat. 3622; Pub. L. 112-154, title VII, §710(d)(2), Aug. 6, 2012, 126 Stat. 1208, provided that: “The amendments made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [July 30, 2008].”

EFFECTIVE DATE

Section applicable to any case not final before Dec. 19, 2003, see section 3 of Pub. L. 108-189, set out as a note under section 3901 of this title.

§ 3954. Settlement of stayed cases relating to personal property**(a) Appraisal of property**

When a stay is granted pursuant to this chapter in a proceeding to foreclose a mortgage on or to repossess personal property, or to rescind or terminate a contract for the purchase of personal property, the court may appoint three disinterested parties to appraise the property.

(b) Equity payment

Based on the appraisal, and if undue hardship to the servicemember's dependents will not result, the court may order that the amount of the servicemember's equity in the property be paid to the servicemember, or the servicemember's dependents, as a condition of foreclosing the mortgage, repossessing the property, or rescinding or terminating the contract.

(Oct. 17, 1940, ch. 888, title III, §304, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2848.)

Editorial Notes**CODIFICATION**

Section was formerly classified to section 534 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

PRIOR PROVISIONS

A prior section 304 of act Oct. 17, 1940, ch. 888, art. III, as added Oct. 6, 1942, ch. 581, §12, 56 Stat. 772; amended Pub. L. 102-12, §9(9), Mar. 18, 1991, 105 Stat. 40, related

to termination of leases by lessees, prior to the general amendment of this Act by Pub. L. 108-189. See section 3955 of this title.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE**

Section applicable to any case not final before Dec. 19, 2003, see section 3 of Pub. L. 108-189, set out as a note under section 3901 of this title.

§ 3955. Termination of residential or motor vehicle leases**(a) Termination****(1) Termination by lessee**

The lessee on a lease described in subsection (b) may, at the lessee's option, terminate the lease at any time after—

(A) the lessee's entry into military service;
(B) the date of the lessee's military orders described in paragraph (1)(B) or (2)(B) of subsection (b), as the case may be; or

(C) the date of the lessee's stop movement order described in paragraph (1)(C) or (2)(C) of subsection (b), as the case may be.

(2) Joint leases

A lessee's termination of a lease pursuant to this subsection shall terminate any obligation a dependent of the lessee may have under the lease.

(3) Death of lessee

The spouse or dependent of the lessee on a lease described in subsection (b) may terminate the lease during the one-year period beginning on the date of the death of the lessee, if the lessee dies while in military service or while performing full-time National Guard duty, active Guard and Reserve duty, or inactive-duty training (as such terms are defined in section 101(d) of title 10).

(4) Catastrophic injury or illness of lessee**(A) Termination**

If the lessee on a lease described in subsection (b) incurs a catastrophic injury or illness during a period of military service or while performing covered service, during the one-year period beginning on the date on which the lessee incurs such injury or illness—

(i) the lessee may terminate the lease; or

(ii) in the case of a lessee who lacks the mental capacity to contract or to manage his or her own affairs (including disbursement of funds without limitation) due to such injury or illness, the spouse or dependent of the lessee may terminate the lease.

(B) Definitions

In this paragraph:

(i) The term “catastrophic injury or illness” has the meaning given that term in section 439(g) of title 37.

(ii) The term “covered service” means full-time National Guard duty, active Guard and Reserve duty, or inactive-duty training (as such terms are defined in section 101(d) of title 10).

(b) Covered leases

This section applies to the following leases:

(1) Leases of premises

A lease of premises occupied, or intended to be occupied, by a servicemember or a servicemember's dependents for a residential, professional, business, agricultural, or similar purpose if—

(A) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service;

(B) the servicemember, while in military service, executes the lease and thereafter receives military orders for a permanent change of station or to deploy with a military unit, or as an individual in support of a military operation, for a period of not less than 90 days; or

(C) the servicemember, while in military service—

(i) executes a lease upon receipt of military orders for a permanent change of station or to deploy with a military unit, or as an individual in support of a military operation, for a period of not less than 90 days; and

(ii) thereafter receives a stop movement order issued by the Secretary concerned in response to a local, national, or global emergency, effective for an indefinite period or for a period of not less than 30 days, which prevents the servicemember or servicemember's dependents from occupying the lease for a residential, professional, business, agricultural, or similar purpose.

(2) Leases of motor vehicles

A lease of a motor vehicle used, or intended to be used, by a servicemember or a servicemember's dependents for personal or business transportation if—

(A) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service under a call or order specifying a period of not less than 180 days (or who enters military service under a call or order specifying a period of 180 days or less and who, without a break in service, receives orders extending the period of military service to a period of not less than 180 days);

(B) the servicemember, while in military service, executes the lease and thereafter receives military orders—

(i) for a change of permanent station—

(I) from a location in the continental United States to a location outside the continental United States; or

(II) from a location in a State outside the continental United States to any location outside that State; or

(ii) to deploy with a military unit, or as an individual in support of a military operation, for a period of not less than 180 days; or

(C) the servicemember, while in military service—

(i) executes a lease upon receipt of military orders described in subparagraph (B); and

(ii) thereafter receives a stop movement order issued by the Secretary concerned in

response to a local, national, or global emergency, effective for an indefinite period or for a period of not less than 30 days, which prevents the servicemember, or the servicemember's dependents, from using the vehicle for personal or business transportation.

(c) Manner of termination**(1) In general**

Termination of a lease under subsection (a) is made—

(A) by delivery by the lessee of written notice of such termination, and a copy of the servicemember's military orders, to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee); and

(B) in the case of a lease of a motor vehicle, by return of the motor vehicle by the lessee to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee), not later than 15 days after the date of the delivery of written notice under subparagraph (A).

(2) Delivery of notice

Delivery of notice under paragraph (1)(A) may be accomplished—

(A) by hand delivery;

(B) by private business carrier;

(C) by placing the written notice in an envelope with sufficient postage and with return receipt requested, and addressed as designated by the lessor (or the lessor's grantee) or to the lessor's agent (or the agent's grantee), and depositing the written notice in the United States mails; or

(D) by electronic means, including—

(i) the direct delivery of material to an electronic address designated by the lessor (or the lessor's grantee) or the lessor's agent (or the agent's grantee);

(ii) the posting of material to a website or other internet or electronic-based information repository to which access has been granted to the lessee, the lessor (or the lessor's grantee), or the lessor's agent (or the agent's grantee); and

(iii) other electronic means reasonably calculated to ensure actual receipt of the material by the lessor (or the lessor's grantee) or the lessor's agent (or the agent's grantee).

(d) Effective date of lease termination**(1) Lease of premises****(A) Entrance to military service, permanent change of station, or deployment**

In the case of a lease described in subparagraph (A) or (B) of subsection (b)(1) that provides for monthly payment of rent, termination of the lease under subsection (a) is effective 30 days after the first date on which the next rental payment is due and payable after the date on which the notice under subsection (c) is delivered. In the case of any other lease described in subparagraphs (A) and (B) of subsection (b)(1) termination of the lease under subsection (a) is effective on the last day of the month following the month in which the notice is delivered.

(B) Stop movement orders

In the case of a lease described in subsection (b)(1)(C), termination of the lease under subsection (a) is effective on the date on which the requirements of subsection (c) are met for such termination.

(2) Lease of motor vehicles

In the case of a lease described in subsection (b)(2), termination of the lease under subsection (a) is effective on the day on which the requirements of subsection (c) are met for such termination.

(e) Arrearages and other obligations and liabilities**(1) Leases of premises**

Rent amounts for a lease described in subsection (b)(1) that are unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. The lessor may not impose an early termination charge, but any taxes, summonses, or other obligations and liabilities of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear, that are due and unpaid at the time of termination of the lease shall be paid by the lessee.

(2) Leases of motor vehicles

Lease amounts for a lease described in subsection (b)(2) that are unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. The lessor may not impose an early termination charge, but any taxes, summonses, title and registration fees, or other obligations and liabilities of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear or use and mileage, that are due and unpaid at the time of termination of the lease shall be paid by the lessee.

(f) Rent paid in advance

Rents or lease amounts paid in advance for a period after the effective date of the termination of the lease shall be refunded to the lessee by the lessor (or the lessor's assignee or the assignee's agent) within 30 days of the effective date of the termination of the lease.

(g) Relief to lessor

Upon application by the lessor to a court before the termination date provided in the written notice, relief granted by this section to a servicemember may be modified as justice and equity require.

(h) Misdemeanor

Any person who knowingly seizes, holds, or detains the personal effects, security deposit, or other property of a servicemember or a servicemember's dependent who lawfully terminates a lease covered by this section, or who knowingly interferes with the removal of such property from premises covered by such lease, for the purpose of subjecting or attempting to subject any of such property to a claim for rent accruing subsequent to the date of termination of such lease, or attempts to do so, shall be fined

as provided in title 18, or imprisoned for not more than one year, or both.

(i) Definitions

In this section:

(1) Military orders

The term "military orders", with respect to a servicemember, means official military orders (including orders for separation or retirement), or any notification, certification, or verification from the servicemember's commanding officer, with respect to the servicemember's current or future military duty status.

(2) ConUS

The term "continental United States" means the 48 contiguous States and the District of Columbia.

(3) Permanent change of station

The term "permanent change of station" includes separation or retirement from military service.

(Oct. 17, 1940, ch. 888, title III, §305, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2848; amended Pub. L. 108-454, title VII, §704, Dec. 10, 2004, 118 Stat. 3624; Pub. L. 111-275, title III, §§301, 303(b)(5), Oct. 13, 2010, 124 Stat. 2875, 2878; Pub. L. 115-407, title III, §301, Dec. 31, 2018, 132 Stat. 5373; Pub. L. 116-92, div. A, title V, §§545, 546, Dec. 20, 2019, 133 Stat. 1377; Pub. L. 116-158, §1(a)-(d), Aug. 14, 2020, 134 Stat. 706, 707; Pub. L. 116-283, div. A, title V, §549, Jan. 1, 2021, 134 Stat. 3620; Pub. L. 116-315, title VII, §§7201(a), 7202(a), Jan. 5, 2021, 134 Stat. 5063.)

Editorial Notes

CODIFICATION

Section was formerly classified to section 535 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

PRIOR PROVISIONS

A prior section 305 of act Oct. 17, 1940, ch. 888, art. III, as added Oct. 6, 1942, ch. 581, §12, 56 Stat. 773; amended Pub. L. 102-12, §9(9), Mar. 18, 1991, 105 Stat. 40, related to protection of assignor of life insurance policy, enforcement of storage liens, and penalties, prior to the general amendment of this Act by Pub. L. 108-189. See sections 3957 and 3958 of this title.

AMENDMENTS

2021—Subsec. (a)(3). Pub. L. 116-283, §549(b), substituted "The spouse or dependent of the lessee" for "The spouse of the lessee".

Subsec. (a)(4). Pub. L. 116-283, §549(a), amended par. (4) generally. Prior to amendment, text read as follows: "The spouse of the lessee on a lease described in subsection (b) may terminate the lease during the one-year period beginning on the date on which the lessee incurs a catastrophic injury or illness (as that term is defined in section 439(g) of title 37, if the lessee incurs the catastrophic injury or illness during a period of military service or while performing full-time National Guard duty, active Guard and Reserve duty, or inactive-duty training (as such terms are defined in section 101(d) of title 10)."

Subsec. (b)(1)(C)(ii), (2)(C)(ii). Pub. L. 116-315, §7202(a), substituted "Secretary concerned" for "Secretary of Defense".

Subsec. (c)(2)(D). Pub. L. 116-315, §7201(a), added subpar. (D).

2020—Subsec. (a)(1)(C). Pub. L. 116-158, §1(a), added subpar. (C).

Subsec. (b)(1)(C). Pub. L. 116-158, §1(b)(1), added subpar. (C).

Subsec. (b)(2)(C). Pub. L. 116-158, §1(b)(2), added subpar. (C).

Subsec. (d)(1). Pub. L. 116-158, §1(c), amended par. (1) generally. Prior to amendment, text read as follows: “In the case of a lease described in subsection (b)(1) that provides for monthly payment of rent, termination of the lease under subsection (a) is effective 30 days after the first date on which the next rental payment is due and payable after the date on which the notice under subsection (c) is delivered. In the case of any other lease described in subsection (b)(1), termination of the lease under subsection (a) is effective on the last day of the month following the month in which the notice is delivered.”

Subsec. (i). Pub. L. 116-158, §1(d), which directed amendment of subsec. (i) by inserting “In this section:” before par. (1) without specifying the section being amended, was executed to subsec. (i) of this section, to reflect the probable intent of Congress.

2019—Subsec. (a)(3). Pub. L. 116-92, §545(b), substituted “in subsection (b)” for “in subsection (b)(1)”.

Subsec. (a)(4). Pub. L. 116-92, §545(a), added par. (4).

Subsec. (i)(1). Pub. L. 116-92, §546(1), inserted “(including orders for separation or retirement)” after “official military orders”.

Subsec. (i)(3). Pub. L. 116-92, §546(2), added par. (3).

2018—Subsec. (a). Pub. L. 115-407, §301(1), struck out “by lessee” after “Termination” in heading.

Subsec. (a)(1). Pub. L. 115-407, §301(2), substituted “Termination by lessee” for “In general” in heading.

Subsec. (a)(3). Pub. L. 115-407, §301(3), added par. (3).

2010—Subsec. (e). Pub. L. 111-275, §301, amended subsec. (e) generally. Prior to amendment, text read as follows: “Rents or lease amounts unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. In the case of the lease of a motor vehicle, the lessor may not impose an early termination charge, but any taxes, summonses, and title and registration fees and any other obligation and liability of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear, use and mileage, that are due and unpaid at the time of termination of the lease shall be paid by the lessee.”

Subsec. (h). Pub. L. 111-275, §303(b)(5), amended subsec. (h) generally. Prior to amendment, subsec. (h) related to penalties.

2004—Subsec. (a). Pub. L. 108-454, §704(a), amended subsec. (a) generally, designating existing provisions as par. (1), inserting par. heading, and adding par. (2).

Subsec. (b)(1)(B). Pub. L. 108-454, §704(c), inserted “, or as an individual in support of a military operation,” after “deploy with a military unit”.

Subsec. (b)(2)(B). Pub. L. 108-454, §704(b)(1), substituted “military orders—” for “military orders for a permanent change of station outside of the continental United States or to deploy”, added cl. (i), and inserted “(ii) to deploy” before “with a military unit”.

Subsec. (b)(2)(B)(ii). Pub. L. 108-454, §704(c), inserted “, or as an individual in support of a military operation,” after “deploy with a military unit”.

Subsec. (i). Pub. L. 108-454, §704(b)(2), added subsec. (i).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2021 AMENDMENT

Pub. L. 116-315, title VII, §7201(b), Jan. 5, 2021, 134 Stat. 5063, provided that: “The amendments made by subsection (a) [amending this section] shall apply to delivery of notice of lease terminations on or after the date the enactment of this Act [Jan. 5, 2021].”

Pub. L. 116-315, title VII, §7202(b), Jan. 5, 2021, 134 Stat. 5064, provided that: “The amendments made by this section [amending this section] shall apply to stop movement orders issued on or after March 1, 2020.”

EFFECTIVE DATE OF 2020 AMENDMENT

Pub. L. 116-158, §1(e), Aug. 14, 2020, 134 Stat. 708, provided that: “The amendments made by this section [amending this section] shall apply to stop movement orders issued on or after March 1, 2020.”

EFFECTIVE DATE

Section applicable to any case not final before Dec. 19, 2003, see section 3 of Pub. L. 108-189, set out as a note under section 3901 of this title.

§ 3956. Termination of certain consumer contracts

(a) Termination by servicemember or dependent of a servicemember

(1) Termination

A servicemember may terminate a contract described in subsection (b) at any time after—

(A) the date the servicemember receives military orders to relocate for a period of not less than 90 days to a location that does not support the contract; or

(B) the date the servicemember, while in military service, receives military orders for a permanent change of station, thereafter enters into the contract, and then receives a stop movement order issued by the Secretary of Defense or the Secretary of Homeland Security in response to a local, national, or global emergency, effective for an indefinite period or for a period of not less than 30 days, that prevents the servicemember from using the services provided under the contract.

(2) Notice

In the case that a servicemember terminates a contract as described in paragraph (1), the service provider under the contract shall provide such servicemember with written or electronic notice of the servicemember’s rights under such paragraph.

(3) Manner of termination

Termination of a contract under paragraph (1) shall be made by delivery of a written or electronic notice of such termination and a copy of the servicemember’s military orders to the service provider, delivered in accordance with industry standards for notification of terminations, together with the date on which the service is to be terminated.

(4) Additional individuals covered

For purposes of this section, the following individuals shall be treated as a servicemember covered by paragraph (1):

(A) A spouse or dependent of a servicemember who dies while in military service or a spouse or dependent of a member of the reserve components who dies while performing duty described in subparagraph (C).

(B) A spouse or dependent of a servicemember who incurs a catastrophic injury or illness (as that term is defined in section 439(g) of title 37), if the servicemember incurs the catastrophic injury or illness while in military service or performing duty described in subparagraph (C).