To restate, clarify, and revise the Soldiers’ and Sailors’ Civil Relief Act of 1940.
A BILL
To restate, clarify, and revise the Soldiers’ and Sailors’ Civil Relief Act of 1940.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. RESTATEMENT OF ACT.
The Soldiers’ and Sailors’ Civil Relief Act of 1940 (50
U.S.C. App. 501 et seq.) is amended to read as follows:

"SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
“(a) SHORT TITLE.—This Act may be cited as the
‘Servicemembers Civil Relief Act’.
“(b) TABLE OF CONTENTS.—The table of contents of
this Act is as follows:

"Sec. 1. Short title; table of contents.
"Sec. 2. Purpose.

"TITLE I—GENERAL PROVISIONS
"Sec. 101. Definitions.
"Sec. 102. Jurisdiction and applicability of Act.
"Sec. 103. Protection of persons secondarily liable.
"Sec. 104. Extension of protections to citizens serving with allied forces.
"Sec. 105. Notification of benefits.
"Sec. 106. Extension of rights and protections to Reserves ordered to report for
military service and to persons ordered to report for induction.
"Sec. 107. Waiver of rights pursuant to written agreement.
"Sec. 108. Exercise of rights under Act not to affect certain future financial
transactions.
"Sec. 109. Legal representatives.

"TITLE II—GENERAL RELIEF
"Sec. 201. Protection of servicemembers against default judgments.
"Sec. 202. Stay of proceedings when servicemember defendant has notice.
"Sec. 203. Fines and penalties under contracts.
"Sec. 204. Stay or vacation of execution of judgments, attachments, and garnishments.
"Sec. 205. Duration and term of stays; codefendants not in service.
"Sec. 206. Statute of limitations.
"Sec. 207. Maximum rate of interest on debts incurred before military service.

"TITLE III—RENT, INSTALLMENT CONTRACTS, MORTGAGES, LIENS, ASSIGNMENT, LEASES.

"Sec. 301. Evictions and distress.
"Sec. 302. Protection under installment contracts for purchase or lease.
"Sec. 303. Mortgages and trust deeds.
"Sec. 304. Settlement of stayed cases relating to personal property.
"Sec. 305. Termination of leases by lessees.
"Sec. 306. Protection of life insurance policy.
"Sec. 307. Enforcement of storage liens.
"Sec. 308. Extension of protections to dependents.

"TITLE IV—LIFE INSURANCE

"Sec. 401. Definitions.
"Sec. 402. Insurance rights and protections.
"Sec. 403. Application for insurance protection.
"Sec. 404. Policies entitled to protection and lapse of policies.
"Sec. 405. Policy restrictions.
"Sec. 407. Premiums and interest guaranteed by United States.
"Sec. 408. Regulations.
"Sec. 409. Review of findings of fact and conclusions of law.

"TITLE V—TAXES AND PUBLIC LANDS

"Sec. 501. Taxes respecting personal property, money, credits, and real property.
"Sec. 503. Desert-land entries.
"Sec. 504. Mining claims.
"Sec. 505. Mineral permits and leases.
"Sec. 506. Perfection or defense of rights.
"Sec. 507. Distribution of information concerning benefits of title.
"Sec. 508. Land rights of servicemembers.
"Sec. 509. Regulations.
"Sec. 510. Income taxes.
"Sec. 511. Residence for tax purposes.

"TITLE VI—ADMINISTRATIVE REMEDIES

"Sec. 601. Inappropriate use of Act.
"Sec. 602. Certificates of service; persons reported missing.
"Sec. 603. Interlocutory orders.

"TITLE VII—FURTHER RELIEF

"Sec. 701. Anticipatory relief.
"Sec. 702. Power of attorney.
"Sec. 703. Professional liability protection.
“SEC. 2. PURPOSE.

“The purposes of this Act are—

“(1) to provide for, strengthen, and expedite the national defense through protection extended by this Act to servicemembers of the United States to enable such persons to devote their entire energy to the defense needs of the Nation; and

“(2) to provide for the temporary suspension of judicial and administrative proceedings and transactions that may adversely affect the civil rights of servicemembers during their military service.

“TITLE I—GENERAL PROVISIONS

“SEC. 101. DEFINITIONS.

“For the purposes of this Act:

“(1) SERVICEMEMBER.—The term ‘servicemember’ means a member of the uniformed services, as that term is defined in section 101(a)(5) of title 10, United States Code.

“(2) MILITARY SERVICE.—The term ‘military service’ means—

“(A) in the case of a servicemember who is a member of the Army, Navy, Air Force, Marine Corps, or Coast Guard—
“(i) active duty, as defined in section 101(d)(1) of title 10, United States Code, and

“(ii) in the case of a member of the National Guard, includes service under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502(f) of title 32, United States Code, for purposes of responding to a national emergency declared by the President and supported by Federal funds; and

“(B) in the case of a servicemember who is a commissioned officer of the Public Health Service or the National Oceanic and Atmospheric Administration, active service.

“(3) PERIOD OF MILITARY SERVICE.—The term ‘period of military service’ means the period beginning on the date on which a servicemember enters military service and ending on the date on which the servicemember is released from military service or dies while in military service.

“(4) DEPENDENT.—The term ‘dependent’, with respect to a servicemember, means—

“(A) the servicemember’s spouse;
“(B) the servicemember’s child (as defined in section 101(4) of title 38, United States Code); or

“(C) an individual for whom the servicemember provided more than one-half of the individual’s support for 180 days immediately preceding an application for relief under this Act.

“(5) COURT.—The term ‘court’ means a court or an administrative agency of the United States or of any State (including any political subdivision of a State), whether or not a court or administrative agency of record.

“(6) STATE.—The term ‘State’ includes—

“(A) a commonwealth, territory, or possession of the United States; and

“(B) the District of Columbia.

“(7) SECRETARY CONCERNED.—The term ‘Secretary concerned’—

“(A) with respect to a member of the armed forces, has the meaning given that term in section 101(a)(9) of title 10, United States Code;

“(B) with respect to a commissioned officer of the Public Health Service, means the Secretary of Health and Human Services; and
“(C) with respect to a commissioned officer of the National Oceanic and Atmospheric Administration, means the Secretary of Commerce.

"SEC. 102. JURISDICTION AND APPLICABILITY OF ACT.

"(a) JURISDICTION.—This Act applies to—

“(1) the United States;

“(2) each of the States, including the political subdivisions thereof; and

“(3) all territory subject to the jurisdiction of the United States.

“(b) APPLICABILITY TO PROCEEDINGS.—This Act applies to any judicial or administrative proceeding commenced in any court or agency in any jurisdiction subject to this Act. This Act does not apply to criminal proceedings.

“(c) COURT IN WHICH APPLICATION MAY BE MADE.—When under this Act any application is required to be made to a court in which no proceeding has already been commenced with respect to the matter, such application may be made to any court which would otherwise have jurisdiction over the matter.

"SEC. 103. PROTECTION OF PERSONS SECONDARILY LIABLE.

“(a) EXTENSION OF PROTECTION WHEN ACTIONS STAYED, POSTPONED, OR SUSPENDED.—Whenever pursuant to this Act a court stays, postpones, or suspends (1)
the enforcement of an obligation or liability, (2) the pros-
ecution of a suit or proceeding, (3) the entry or enforcement
of an order, writ, judgment, or decree, or (4) the perform-
ance of any other act, the court may likewise grant such
a stay, postponement, or suspension to a surety, guarantor,
derorser, accommodation maker, comaker, or other person
who is or may be primarily or secondarily subject to the
obligation or liability the performance or enforcement of
which is stayed, postponed, or suspended.

“(b) VACATION OR SET-ASIDE OF JUDGMENTS.—When
a judgment or decree is vacated or set aside, in whole or
in part, pursuant to this Act, the court may also set aside
or vacate, as the case may be, the judgment or decree as
to a surety, guarantor, endorser, accommodation maker,
comaker, or other person who is or may be primarily or
secondarily liable on the contract or liability for the enforce-
ment of the judgment or decree.

“(c) BAIL BOND NOT TO BE ENFORCED DURING PE-
RIOD OF MILITARY SERVICE.—A court may not enforce a
bail bond during the period of military service of the prin-
cipal on the bond when military service prevents the surety
from obtaining the attendance of the principal. The court
may discharge the surety and exonerate the bail, in accord-
ance with principles of equity and justice, during or after
the period of military service of the principal.
“(d) Waiver of Rights.—

“(1) Waivers not precluded.—This Act does not prevent a waiver in writing by a surety, guarantor, endorser, accommodation maker, co-maker, or other person (whether primarily or secondarily liable on an obligation or liability) of the protections provided under subsections (a) and (b). Any such waiver is effective only if it is executed as an instrument separate from the obligation or liability with respect to which it applies.

“(2) Waiver invalidated upon entrance to military service.—If a waiver under paragraph (1) is executed by an individual who after the execution of the waiver enters military service, or by a dependent of an individual who after the execution of the waiver enters military service, the waiver is not valid after the beginning of the period of such military service unless the waiver was executed by such individual or dependent during the period specified in section 106.

“SEC. 104. Extension of protections to citizens serving with allied forces.

“A citizen of the United States who is serving with the forces of a nation with which the United States is allied in the prosecution of a war or military action is entitled
to the relief and protections provided under this Act if that
service with the allied force is similar to military service
as defined in this Act. The relief and protections provided
to such citizen shall terminate on the date of discharge or
release from such service.

SEC. 105. NOTIFICATION OF BENEFITS.

“The Secretary concerned shall ensure that notice of
the benefits accorded by this Act is provided in writing to
persons in military service and to persons entering military
service.

SEC. 106. EXTENSION OF RIGHTS AND PROTECTIONS TO
RESERVES ORDERED TO REPORT FOR MILI-
TARY SERVICE AND TO PERSONS ORDERED
TO REPORT FOR INDUCTION.

“(a) Reserves Ordered To Report for Military
Service.—A member of a reserve component who is or-
dered to report for military service is entitled to the rights
and protections of this title and titles II and III during
the period beginning on the date of the member’s receipt
of the order and ending on the date on which the member
reports for military service (or, if the order is revoked before
the member so reports, or the date on which the order is
revoked).

“(b) Persons Ordered To Report for Induc-
tion.—A person who has been ordered to report for induc-
tion under the Military Selective Service Act (50 U.S.C. App. 451 et seq.) is entitled to the rights and protections provided a servicemember under this title and titles II and III during the period beginning on the date of receipt of the order for induction and ending on the date on which the person reports for induction (or, if the order to report for induction is revoked before the date on which the person reports for induction, on the date on which the order is revoked).

"SEC. 107. WAIVER OF RIGHTS PURSUANT TO WRITTEN AGREEMENT.

“(a) In General.—A servicemember may waive any of the rights and protections provided by this Act. In the case of a waiver that permits an action described in subsection (b), the waiver is effective only if made pursuant to a written agreement of the parties that is executed during or after the servicemember’s period of military service. The written agreement shall specify the legal instrument to which the waiver applies and, if the servicemember is not a party to that instrument, the servicemember concerned.

“(b) Actions Requiring Waivers in Writing.—The requirement in subsection (a) for a written waiver applies to the following:

“(1) The modification, termination, or cancellation of—
“(A) a contract, lease, or bailment; or

“(B) an obligation secured by a mortgage, trust, deed, lien, or other security in the nature of a mortgage.

“(2) The repossession, retention, foreclosure, sale, forfeiture, or taking possession of property that—

“(A) is security for any obligation; or

“(B) was purchased or received under a contract, lease, or bailment.

“(c) COVERAGE OF PERIODS AFTER ORDERS RECEIVED.—For the purposes of this section—

“(1) a person to whom section 106 applies shall be considered to be a servicemember; and

“(2) the period with respect to such a person specified in subsection (a) or (b), as the case may be, of section 106 shall be considered to be a period of military service.

“SEC. 108. EXERCISE OF RIGHTS UNDER ACT NOT TO AFFECT CERTAIN FUTURE FINANCIAL TRANSACTIONS.

“Application by a servicemember for, or receipt by a servicemember of, a stay, postponement, or suspension pursuant to this Act in the payment of a tax, fine, penalty, insurance premium, or other civil obligation or liability of
that servicemember shall not itself (without regard to other considerations) provide the basis for any of the following:

“(1) A determination by a lender or other person that the servicemember is unable to pay the civil obligation or liability in accordance with its terms.

“(2) With respect to a credit transaction between a creditor and the servicemember—

“(A) a denial or revocation of credit by the creditor;

“(B) a change by the creditor in the terms of an existing credit arrangement; or

“(C) a refusal by the creditor to grant credit to the servicemember in substantially the amount or on substantially the terms requested.

“(3) An adverse report relating to the credit-worthiness of the servicemember by or to a person engaged in the practice of assembling or evaluating consumer credit information.

“(4) A refusal by an insurer to insure the servicemember.

“(5) An annotation in a servicemember’s record by a creditor or a person engaged in the practice of assembling or evaluating consumer credit information, identifying the servicemember as a member of the National Guard or a reserve component.
“(6) A change in the terms offered or conditions required for the issuance of insurance.

"SEC. 109. LEGAL REPRESENTATIVES.

“(a) REPRESENTATIVE.—A legal representative of a servicemember for purposes of this Act is either of the following:

“(1) An attorney acting on the behalf of a servicemember.

“(2) An individual possessing a power of attorney.

“(b) APPLICATION.—Whenever the term ‘servicemember’ is used in this Act, such term shall be treated as including a reference to a legal representative of the servicemember.

"TITLE II—GENERAL RELIEF

"SEC. 201. PROTECTION OF SERVICEMEMBERS AGAINST DEFAULT JUDGMENTS.

“(a) APPLICABILITY OF SECTION.—This section applies to any civil action or proceeding in which the defendant does not make an appearance.

“(b) AFFIDAVIT REQUIREMENT.—

“(1) PLAINTIFF TO FILE AFFIDAVIT.—In any action or proceeding covered by this section, the court, before entering judgment for the plaintiff, shall re-
require the plaintiff to file with the court an affidavit—

“(A) stating whether or not the defendant is in military service and showing necessary facts to support the affidavit; or

“(B) if the plaintiff is unable to determine whether or not the defendant is in military service, stating that the plaintiff is unable to determine whether or not the defendant is in military service.

“(2) APPOINTMENT OF ATTORNEY TO REPRESENT DEFENDANT IN MILITARY SERVICE.—If in an action covered by this section it appears that the defendant is in military service, the court may not enter a judgment until after the court appoints an attorney to represent the defendant. If an attorney appointed under this section to represent a servicemember cannot locate the servicemember, actions by the attorney in the case shall not waive any defense of the servicemember or otherwise bind the servicemember.

“(3) DEFENDANT’S MILITARY STATUS NOT ASCERTAINED BY AFFIDAVIT.—If based upon the affidavits filed in such an action, the court is unable to determine whether the defendant is in military service, the court, before entering judgment, may require
the plaintiff to file a bond in an amount approved by
the court. If the defendant is later found to be in mili-
tary service, the bond shall be available to indemnify
the defendant against any loss or damage the defend-
ant may suffer by reason of any judgment for the
plaintiff against the defendant, should the judgment
be set aside in whole or in part. The bond shall re-
main in effect until expiration of the time for appeal
and setting aside of a judgment under applicable Fed-
eral or State law or regulation or under any applica-
table ordinance of a political subdivision of a State.
The court may issue such orders or enter such judg-
ments as the court determines necessary to protect the
rights of the defendant under this Act.

“(4) SATISFACTION OF REQUIREMENT FOR AFFI-
DAVIT.—The requirement for an affidavit under para-
graph (1) may be satisfied by a statement, declara-
tion, verification, or certificate, in writing, subscribed
and certified or declared to be true under penalty of
perjury.

“(c) PENALTY FOR MAKING OR USING FALSE AFFI-
DAVIT.—A person who makes or uses an affidavit permitted
under subsection (b) (or a statement, declaration,
verification, or certificate as authorized under subsection
(b)(4)) knowing it to be false, shall be fined as provided
in title 18, United States Code, or imprisoned for not more than one year, or both.

“(d) STAY OF PROCEEDINGS.—In an action covered by this section in which the defendant is in military service, the court shall grant a stay of proceedings for a minimum period of 90 days under this subsection upon application of counsel, or on the court’s own motion, if the court determines that—

“(1) there may be a defense to the action and a defense cannot be presented without the presence of the defendant; or

“(2) after due diligence, counsel has been unable to contact the defendant or otherwise determine if a meritorious defense exists.

“(e) INAPPLICABILITY OF SECTION 202 PROCEDURES.—A stay of proceedings under subsection (d) shall not be controlled by procedures or requirements under section 202.

“(f) SECTION 202 PROTECTION.—If a servicemember who is a defendant in an action covered by this section receives actual notice of the action, the servicemember may request a stay of proceeding under section 202.

“(g) VACATION OR SETTING ASIDE OF DEFAULT JUDGMENTS.—
“(1) Authority for court to vacate or set aside judgment.—If a default judgment is entered in an action covered by this section against a servicemember during the servicemember’s period of military service (or within 60 days after termination of or release from such military service), the court entering the judgment shall, upon application by or on behalf of the servicemember, reopen the judgment for the purpose of allowing the servicemember to defend the action if it appears that—

“(A) the servicemember was materially affected by reason of that military service in making a defense to the action; and

“(B) the servicemember has a meritorious or legal defense to the action or some part of it.

“(2) Time for filing application.—An application under this subsection must be filed not later than 90 days after the date of the termination of or release from military service.

“(h) Protection of bona fide purchaser.—If a court vacates, sets aside, or reverses a default judgment against a servicemember and the vacating, setting aside, or reversing is because of a provision of this Act, that action shall not impair a right or title acquired by a bona fide purchaser for value under the default judgment.
“SEC. 202. STAY OF PROCEEDINGS WHEN SERVICEMEMBER DEFENDANT HAS NOTICE.

“(a) APPLICABILITY OF SECTION.—This section applies to any civil action or proceeding in which the defendant at the time of filing an application under this section—

“(1) is in military service or is within 90 days after termination of or release from military service; and

“(2) has received notice of the action or proceeding.

“(b) AUTOMATIC STAY.—

“(1) AUTHORITY FOR STAY.—At any stage before final judgment in a civil action or proceeding in which a servicemember described in subsection (a) is a party, the court may on its own motion and shall, upon application by the servicemember, stay the action for a period of not less than 90 days, if the conditions in paragraph (2) are met.

“(2) CONDITIONS FOR STAY.—An application for a stay under paragraph (1) shall include the following:

“(A) A letter or other communication setting forth facts stating the manner in which current military duty requirements materially affect the servicemember’s ability to appear and stat-
ing a date when the servicemember will be available to appear.

“(B) A letter or other communication from the servicemember’s commanding officer stating that the servicemember’s current military duty prevents appearance and that military leave is not authorized for the servicemember at the time of the letter.

“(c) Application Not a Waiver of Defenses.—An application for a stay under this section does not constitute an appearance for jurisdictional purposes and does not constitute a waiver of any substantive or procedural defense (including a defense relating to lack of personal jurisdiction).

“(d) Additional Stay.—

“(1) Application.—A servicemember who is granted a stay of a civil action or proceeding under subsection (b) may apply for an additional stay based on continuing material effect of military duty on the servicemember’s ability to appear. Such an application may be made by the servicemember at the time of the initial application under subsection (b) or when it appears that the servicemember is unavailable to prosecute or defend the action. The same infor-
information required under subsection (b)(2) shall be included in an application under this subsection.

“(2) APPOINTMENT OF COUNSEL WHEN ADDITIONAL STAY REFUSED.—If the court refuses to grant an additional stay of proceedings under paragraph (1), the court shall appoint counsel to represent the servicemember in the action or proceeding.

“(e) COORDINATION WITH SECTION 201.—A servicemember who applies for a stay under this section and is unsuccessful may not seek the protections afforded by section 201.

“(f) INAPPLICABILITY TO SECTION 301.—The protections of this section do not apply to section 301.

“SEC. 203. FINES AND PENALTIES UNDER CONTRACTS.

“(a) PROHIBITION OF PENALTIES.—When an action for compliance with the terms of a contract is stayed pursuant to this Act, a penalty shall not accrue for failure to comply with the terms of the contract during the period of the stay.

“(b) REDUCTION OR WAIVER OF FINES OR PENALTIES.—If a servicemember fails to perform an obligation arising under a contract and a penalty is incurred arising from that nonperformance, a court may reduce or waive the fine or penalty if—
“(1) the servicemember was in military service at the time the fine or penalty was incurred; and

“(2) the ability of the servicemember to perform the obligation was materially affected by such military service.

“SEC. 204. STAY OR VACATION OF EXECUTION OF JUDGMENTS, ATTACHMENTS, AND GARNISHMENTS.

“(a) COURT ACTION UPON MATERIAL EFFECT DETERMINATION.—If a servicemember, in the opinion of the court, is materially affected by reason of military service in complying with a court judgment or order, the court may on its own motion and shall on application by the servicemember—

“(1) stay the execution of any judgment or order entered against the servicemember; and

“(2) vacate or stay an attachment or garnishment of property, money, or debts in the possession of the servicemember or a third party, whether before or after judgment.

“(b) APPLICABILITY.—This section applies to an action or proceeding commenced in a court against a servicemember before or during the period of the servicemember’s military service or within 90 days after such service terminates.
“SEC. 205. DURATION AND TERM OF STAYS; CODEFENDANTS NOT IN SERVICE.

“(a) Period of Stay.—A stay of an action, proceeding, attachment, or execution made pursuant to the provisions of this Act by a court may be ordered for the period of military service and 90 days thereafter, or for any part of that period. The court may set the terms and amounts for such installment payments as is considered reasonable by the court.

“(b) Codefendants.—If the servicemember is a co-defendant with others who are not in military service and who are not entitled to the relief and protections provided under this Act, the plaintiff may proceed against those other defendants with the approval of the court.

“(c) Inapplicability of Section.—This section does not apply to sections 202 and 701.

“SEC. 206. STATUTE OF LIMITATIONS.

“(a) Tolling of Statutes of Limitation During Military Service.—The period of a servicemember’s military service may not be included in computing any period limited by law, regulation, or order for the bringing of any action or proceeding in a court, or in any board, bureau, commission, department, or other agency of a State (or political subdivision of a State) or the United States by or against the servicemember or the servicemember’s heirs, executors, administrators, or assigns.
“(b) Redemption of Real Property.—A period of
military service may not be included in computing any pe-
riod provided by law for the redemption of real property
sold or forfeited to enforce an obligation, tax, or assessment.

“(c) Inapplicability to Internal Revenue
Laws.—This section does not apply to any period of limita-
tion prescribed by or under the internal revenue laws of
the United States.

“SEC. 207. Maximum Rate of Interest on Debts In-
curred Before Military Service.

“(a) Interest Rate Limitation.—

“(1) Limitation to 6 percent.—An obligation
or liability bearing interest at a rate in excess of 6
percent per year that is incurred by a servicemember,
or the servicemember and the servicemember’s spouse
jointly, before the servicemember enters military serv-
ice shall not bear interest at a rate in excess of 6 per-
cent per year during the period of military service.

“(2) Forgiveness of Interest in Excess of
6 percent.—Interest at a rate in excess of 6 percent
per year that would otherwise be incurred but for the
prohibition in paragraph (1) is forgiven.

“(3) Prevention of Acceleration of Prin-
cipal.—The amount of any periodic payment due
from a servicemember under the terms of the instru-
ment that created an obligation or liability covered by this section shall be reduced by the amount of the interest forgiven under paragraph (2) that is allocable to the period for which such payment is made.

“(b) IMPLEMENTATION OF LIMITATION.—

“(1) WRITTEN NOTICE TO CREDITOR.—In order for an obligation or liability of a servicemember to be subject to the interest rate limitation in subsection (a), the servicemember shall provide to the creditor written notice and a copy of the military orders calling the servicemember to military service and any orders further extending military service, not later than 180 days after the date of the servicemember’s termination or release from military service.

“(2) LIMITATION EFFECTIVE AS OF DATE OF ORDER TO ACTIVE DUTY.—Upon receipt of written notice and a copy of orders calling a servicemember to military service, the creditor shall treat the debt in accordance with subsection (a), effective as of the date on which the servicemember is called to military service.

“(c) CREDITOR PROTECTION.—A court may grant a creditor relief from the limitations of this section if, in the opinion of the court, the ability of the servicemember to pay interest upon the obligation or liability at a rate in excess
of 6 percent per year is not materially affected by reason
of the servicemember’s military service.

“(d) INTEREST DEFINED.—As used in this section, the
term ‘interest’ means simple interest plus service charges,
renewal charges, fees, or any other charges (except bona fide
insurance) with respect to an obligation or liability.

“TITLE III—RENT, INSTALLMENT
CONTRACTS, MORTGAGES,
LIENS, ASSIGNMENT, LEASES

“SEC. 301. EVICTIONS AND DISTRESS.

“(a) COURT-ORDERED EVICTION.—

“(1) IN GENERAL.—Except by court order, a
landlord (or another person with paramount title)
may not—

“(A) evict a servicemember, or the depend-
ents of a servicemember, during a period of mili-
tary service of the servicemember, from premises—

“(i) that are occupied or intended to be
occupied primarily as a residence; and

“(ii) for which the monthly rent does
not exceed $1,700, as adjusted under para-
graph (2) for years after 2003; or

“(B) subject such premises to a distress dur-
ing the period of military service.
“(2) Housing price inflation adjustment.—

(A) For calendar years beginning with 2004, the amount under subsection (a)(1)(A)(ii) shall be increased by the housing price inflation adjustment for the calendar year involved.

“(B) For purposes of this paragraph—

“(i) The housing price inflation adjustment for any calendar year is the percentage change (if any) by which—

“(I) the CPI housing component for November of the preceding calendar year, exceeds

“(II) the CPI housing component for November of 1984.

“(ii) The term ‘CPI housing component’ means the index published by the Bureau of Labor Statistics of the Department of Labor known as the Consumer Price Index, All Urban Consumers, Rent of Primary Residence, U.S. City Average.”.

“(b) Stay of execution.—

“(1) Court authority.—Upon an application for eviction or distress with respect to premises covered by this section, the court may on its own motion and shall, if a request is made by or on behalf of a
servicemember whose ability to pay the agreed rent is materially affected by military service—

“(A) stay the proceedings for a period of 90 days, unless in the opinion of the court, justice and equity require a longer or shorter period of time; or

“(B) adjust the obligation under the lease to preserve the interests of all parties.

“(2) RELIEF TO LANDLORD.—If a stay is granted under paragraph (1), the court may grant to the landlord (or other person with paramount title) such relief as equity may require.

“(c) PENALTIES.—

“(1) MISDEMEANOR.—Except as provided in subsection (a), a person who knowingly takes part in an eviction or distress described in subsection (a), or who knowingly attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

“(2) PRESERVATION OF OTHER REMEDIES AND RIGHTS.—The remedies and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion (or wrongful eviction) otherwise available under the law to the per-
son claiming relief under this section, including any
award for consequential and punitive damages.

“(d) Rent Allotment From Pay of Servicemember.—To the extent required by a court order
related to property which is the subject of a court action
under this section, the Secretary concerned shall make an
allotment from the pay of a servicemember to satisfy the
terms of such order, except that any such allotment shall
be subject to regulations prescribed by the Secretary con-
cerned establishing the maximum amount of pay of
servicemembers that may be allotted under this subsection.

“(e) Limitation of Applicability.—Section 202 is
not applicable to this section.

“SEC. 302. Protection Under Installment Contracts
For Purchase or Lease.

“(a) Protection Upon Breach of Contract.—

“(1) Protection After Entering Military
Service.—After a servicemember enters military
service, a contract by the servicemember for—

“(A) the purchase of real or personal prop-
erty; or

“(B) the lease or bailment of such property,
may not be rescinded or terminated for a breach of
terms of the contract occurring before or during that
person’s military service, nor may the property be re-
possessed for such breach without a court order.

“(2) APPLICABILITY.—This section applies only
to a contract for which a deposit or installment has
been paid by the servicemember before the
servicemember enters military service.

“(b) PENALTIES.—

“(1) MISDEMEANOR.—A person who knowingly
resumes possession of property in violation of sub-
section (a), or in violation of section 107 of this Act,
or who knowingly attempts to do so, shall be fined as
provided in title 18, United States Code, or impris-
oned for not more than one year, or both.

“(2) PRESERVATION OF OTHER REMEDIES AND
RIGHTS.—The remedies and rights provided under
this section are in addition to and do not preclude
any remedy for wrongful conversion otherwise avail-
able under law to the person claiming relief under
this section, including any award for consequential
and punitive damages.

“(c) AUTHORITY OF COURT.—In a hearing based on
this section, the court—

“(1) may order repayment to the servicemember
of all or part of the prior installments or deposits as
a condition of terminating the contract and resuming
possession of the property;

“(2) may, on its own motion, and shall on ap-
lication by a servicemember when the
servicemember’s ability to comply with the contract is
materially affected by military service, stay the pro-
ceedings for a period of time as, in the opinion of the
court, justice and equity require; or

“(3) may make other disposition as is equitable
to preserve the interests of all parties.

“SEC. 303. MORTGAGES AND TRUST DEEDS.

“(a) MORTGAGE AS SECURITY.—This section applies
only to an obligation on real or personal property owned
by a servicemember that—

“(1) originated before the period of the
servicemember’s military service and for which the
servicemember is still obligated; and

“(2) is secured by a mortgage, trust deed, or
other security in the nature of a mortgage.

“(b) STAY OF PROCEEDINGS AND ADJUSTMENT OF OB-
LIGATION.—In an action filed during, or within 90 days
after, a servicemember’s period of military service to enforce
an obligation described in subsection (a), the court may
after a hearing and on its own motion and shall upon ap-
plication by a servicemember when the servicemember’s
ability to comply with the obligation is materially affected by military service—

“(1) stay the proceedings for a period of time as justice and equity require, or

“(2) adjust the obligation to preserve the interests of all parties.

“(c) SALE OR FORECLOSURE.—A sale, foreclosure, or seizure of property for a breach of an obligation described in subsection (a) shall not be valid if made during, or within 90 days after, the period of the servicemember’s military service except—

“(1) upon a court order granted before such sale, foreclosure, or seizure with a return made and approved by the court; or

“(2) if made pursuant to an agreement as provided in section 107.

“(d) PENALTIES.—

“(1) MISDEMEANOR.—A person who knowingly makes or causes to be made a sale, foreclosure, or seizure of property that is prohibited by subsection (c), or who knowingly attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

“(2) PRESERVATION OF OTHER REMEDIES.—The remedies and rights provided under this section are
in addition to and do not preclude any remedy for
wrongful conversion otherwise available under law to
the person claiming relief under this section, includ-
ing consequential and punitive damages.

“SEC. 304. SETTLEMENT OF STAYED CASES RELATING TO
PERSONAL PROPERTY.

“(a) APPRAISAL OF PROPERTY.—When a stay is
granted pursuant to this Act in a proceeding to foreclose
a mortgage on or to repossess personal property, or to re-
scind 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 con-
dition of foreclosing the mortgage, repossessing the property,
or rescinding or terminating the contract.

“SEC. 305. TERMINATION OF LEASES BY LESSEES.

“(a) COVERED LEASES.—This section applies to the
lease of premises occupied, or intended to be occupied, by
a servicemember or a servicemember’s dependents for a resi-
dential, professional, business, agricultural, or similar pur-
pose if—
“(1) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service; or

“(2) the servicemember, while in military service, executes a lease and thereafter receives military orders for a permanent change of station or to deploy with a military unit for a period of not less than 90 days.

“(b) NOTICE TO LESSOR.—

“(1) DELIVERY OF NOTICE.—A lease described in subsection (a) is terminated when written notice is delivered by the lessee to the lessor (or the lessor’s grantee) or to the lessor’s agent (or the agent’s grantee).

“(2) TIME FOR NOTICE.—The written notice may be delivered at any time after the lessee’s entry into military service or the date of the military orders for a permanent change of station or to deploy for a period of not less than 90 days.

“(3) NATURE OF NOTICE.—Delivery may be accomplished—

“(A) by hand delivery;

“(B) by private business carrier; or

“(C) by placing the written notice in an envelope with sufficient postage and addressed to
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.

“(c) Effective Date of Termination.—

“(1) Lease with monthly rent.—Termination of a lease providing for monthly payment of rent shall be effective 30 days after the first date on which the next rental payment is due and payable after the date on which the notice is delivered.

“(2) Other lease.—All other leases terminate on the last day of the month following the month in which the notice is delivered.

“(d) Arrearages in Rent.—Rents unpaid for the period preceding termination shall be paid on a prorated basis.

“(e) Rent Paid in Advance.—Rents paid in advance for a period succeeding termination shall be refunded to the lessee by the lessor (or the lessor’s assignee or the assignee’s agent).

“(f) 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.
“(g) **Penalties.**—

“(1) **Misde-meanor.**—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, United States Code, or imprisoned for not more than one year, or both.

“(2) **Preservation of other remedies.**—The remedy and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any award for consequential or punitive damages.

**SEC. 306. PROTECTION OF LIFE INSURANCE POLICY.**

“(a) **Assignment of Policy Protected.**—If a life insurance policy on the life of a servicemember is assigned before military service to secure the payment of an obligation, the assignee of the policy (except the insurer in connec-
tion with a policy loan) may not exercise, during a period of military service of the servicemember or within one year thereafter, any right or option obtained under the assignment without a court order.

“(b) Exception.—The prohibition in subsection (a) shall not apply—

“(1) if the assignee has the written consent of the insured made during the period described in subsection (a)(1);

“(2) when the premiums on the policy are due and unpaid; or

“(3) upon the death of the insured.

“(c) Order Refused Because of Material Effect.—A court which receives an application for an order required under subsection (a) may refuse to grant such order if the court determines the ability of the servicemember to comply with the terms of the obligation is materially affected by military service.

“(d) Treatment of Guaranteed Premiums.—For purposes of this subsection, premiums guaranteed under the provisions of title IV of this Act shall not be considered due and unpaid.

“(e) Penalties.—

“(1) Misdemeanor.—A person who knowingly takes an action contrary to this section, or attempts
to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

“(2) PRESERVATION OF OTHER REMEDIES.—The remedy and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any consequential or punitive damages.

“SEC. 307. ENFORCEMENT OF STORAGE LIENS.

“(a) LIENS.—

“(1) LIMITATION ON FORECLOSURE OR ENFORCEMENT.—A person holding a lien on the property or effects of a servicemember may not, during any period of military service of the servicemember and for 90 days thereafter, foreclose or enforce any lien on such property or effects without a court order granted before foreclosure or enforcement.

“(2) LIEN DEFINED.—For the purposes of paragraph (1), the term ‘lien’ includes a lien for storage, repair, or cleaning of the property or effects of a servicemember or a lien on such property or effects for any other reason.

“(b) STAY OF PROCEEDINGS.—In a proceeding to foreclose or enforce a lien subject to this section, the court may
on its own motion, and shall if requested by a
servicemember whose ability to comply with the obligation
resulting in the proceeding is materially affected by mili-
tary service—

“(1) stay the proceeding for a period of time as
justice and equity require; or
“(2) adjust the obligation to preserve the inter-
est of all parties.

The provisions of this subsection do not affect the scope of
section 303.

“(c) PENALTIES.—

“(1) MISDEMEANOR.—A person who knowingly
takes an action contrary to this section, or attempts
to do so, shall be fined as provided in title 18, United
States Code, or imprisoned for not more than one
year, or both.

“(2) PRESERVATION OF OTHER REMEDIES.—The
remedy and rights provided under this section are in
addition to and do not preclude any remedy for
wrongful conversion otherwise available under law to
the person claiming relief under this section, includ-
ing any consequential or punitive damages.

“SEC. 308. EXTENSION OF PROTECTIONS TO DEPENDENTS.

“Upon application to a court, a dependent of a
servicemember is entitled to the protections of this title if
the dependent’s ability to comply with a lease, contract, bailment, or other obligation is materially affected by reason of the servicemember’s military service.

‘TITLE IV—LIFE INSURANCE

‘SEC. 401. DEFINITIONS.

“For the purposes of this title:

“(1) POLICY.—The term ‘policy’ means any contract for whole, endowment, universal, or term life insurance, including any benefit in the nature of such insurance arising out of membership in any fraternal or beneficial association which—

“(A) provides that the insurer may not—

“(i) decrease the amount of coverage or increase the amount of premiums if the insured is in military service; or

“(ii) limit or restrict coverage for any activity required by military service; and

“(B) is in force not less than 180 days before the date of the insured’s entry into military service and at the time of application under this title.

“(2) PREMIUM.—The term ‘premium’ means the amount specified in an insurance policy to be paid to keep the policy in force.
“(3) INSURED.—The term ‘insured’ means a servicemember whose life is insured under a policy.

“(4) INSURER.—The term ‘insurer’ includes any firm, corporation, partnership, association, or business that is chartered or authorized to provide insurance and issue contracts or policies by the laws of a State or the United States.

“SEC. 402. INSURANCE RIGHTS AND PROTECTIONS.

“(a) RIGHTS AND PROTECTIONS.—The rights and protections under this title apply to the insured when the insured, the insured’s designee, or the insured’s beneficiary applies in writing for protection under this title, unless the Secretary of Veterans Affairs determines that the insured’s policy is not entitled to protection under this title.

“(b) NOTIFICATION AND APPLICATION.—The Secretary of Veterans Affairs shall notify the Secretary concerned of the procedures to be used to apply for the protections provided under this title. The applicant shall send the original application to the insurer and a copy to the Secretary of Veterans Affairs.

“(c) LIMITATION ON AMOUNT.—The total amount of life insurance coverage protection provided by this title for a servicemember may not exceed $250,000, or an amount equal to the Servicemember’s Group Life Insurance max-
imum limit, whichever is greater, regardless of the number of policies submitted.

"SEC. 403. APPLICATION FOR INSURANCE PROTECTION.

“(a) APPLICATION PROCEDURE.—An application for protection under this title shall—

“(1) be in writing and signed by the insured, the insured’s designee, or the insured’s beneficiary, as the case may be;

“(2) identify the policy and the insurer; and

“(3) include an acknowledgement that the insured’s rights under the policy are subject to and modified by the provisions of this title.

“(b) ADDITIONAL REQUIREMENTS.—The Secretary of Veterans Affairs may require additional information from the applicant, the insured and the insurer to determine if the policy is entitled to protection under this title.

“(c) NOTICE TO THE SECRETARY BY THE INSURED.—Upon receipt of the application of the insured, the insurer shall furnish a report concerning the policy to the Secretary of Veterans Affairs as required by regulations prescribed by the Secretary.

“(d) POLICY MODIFICATION.—Upon application for protection under this title, the insured and the insurer shall have constructively agreed to any policy modification necessary to give this title full force and effect.
“SEC. 404. POLICIES ENTITLED TO PROTECTION AND LAPSE OF POLICIES.

“(a) DETERMINATION.—The Secretary of Veterans Affairs shall determine whether a policy is entitled to protection under this title and shall notify the insured and the insurer of that determination.

“(b) LAPSE PROTECTION.—A policy that the Secretary determines is entitled to protection under this title shall not lapse or otherwise terminate or be forfeited for the non-payment of a premium, or interest or indebtedness on a premium, after the date of the application for protection.

“(c) TIME APPLICATION.—The protection provided by this title applies during the insured’s period of military service and for a period of two years thereafter.

“SEC. 405. POLICY RESTRICTIONS.

“(a) DIVIDENDS.—While a policy is protected under this title, a dividend or other monetary benefit under a policy may not be paid to an insured or used to purchase dividend additions without the approval of the Secretary of Veterans Affairs. If such approval is not obtained, the dividends or benefits shall be added to the value of the policy to be used as a credit when final settlement is made with the insurer.

“(b) SPECIFIC RESTRICTIONS.—While a policy is protected under this title, cash value, loan value, withdrawal of dividend accumulation, unearned premiums, or other
value of similar character may not be available to the insured without the approval of the Secretary. The right of the insured to change a beneficiary designation or select an optional settlement for a beneficiary shall not be affected by the provisions of this title.

"SEC. 406. DEDUCTION OF UNPAID PREMIUMS."

“(a) Settlement of Proceeds.—If a policy matures as a result of a servicemember’s death or otherwise during the period of protection of the policy under this title, the insurer in making settlement shall deduct from the insurance proceeds the amount of the unpaid premiums guaranteed under this title, together with interest due at the rate fixed in the policy for policy loans.

“(b) Interest Rate.—If the interest rate is not specifically fixed in the policy, the rate shall be the same as for policy loans in other policies issued by the insurer at the time the insured’s policy was issued.

“(c) Reporting Requirement.—The amount deducted under this section, if any, shall be reported by the insurer to the Secretary of Veterans Affairs.

"SEC. 407. PREMIUMS AND INTEREST GUARANTEED BY UNITED STATES."

“(a) Guarantee of Premiums and Interest by the United States.—
“(1) GUARANTEE.—Payment of premiums, and interest on premiums at the rate specified in section 406, which become due on a policy under the protection of this title is guaranteed by the United States. If the amount guaranteed is not paid to the insurer before the period of insurance protection under this title expires, the amount due shall be treated by the insurer as a policy loan on the policy.

“(2) POLICY TERMINATION.—If, at the expiration of insurance protection under this title, the cash surrender value of a policy is less than the amount due to pay premiums and interest on premiums on the policy, the policy shall terminate. Upon such termination, the United States shall pay the insurer the difference between the amount due and the cash surrender value.

“(b) RECOVERY FROM INSURED OF AMOUNTS PAID BY THE UNITED STATES.—

“(1) DEBT PAYABLE TO THE UNITED STATES.—
The amount paid by the United States to an insurer under this title shall be a debt payable to the United States by the insured on whose policy payment was made.

“(2) COLLECTION.—Such amount may be collected by the United States, either as an offset from
any amount due the insured by the United States or as otherwise authorized by law.

“(3) Debt not dischargeable in bankruptcy.—Such debt payable to the United States is not dischargeable in bankruptcy proceedings.

“(c) Crediting of amounts recovered.—Any amounts received by the United States as repayment of debts incurred by an insured under this title shall be credited to the appropriation for the payment of claims under this title.

“SEC. 408. REGULATIONS.

“The Secretary of Veterans Affairs shall prescribe regulations for the implementation of this title.

“SEC. 409. REVIEW OF FINDINGS OF FACT AND CONCLUSIONS OF LAW.

“The findings of fact and conclusions of law made by the Secretary of Veterans Affairs in administering this title may be reviewed by the Board of Veterans’ Appeals and the United States Court of Appeals for Veterans Claims.

“TITLE V—TAXES AND PUBLIC LANDS

“SEC. 501. TAXES RESPECTING PERSONAL PROPERTY, MONEY, CREDITS, AND REAL PROPERTY.

“(a) Application.—This section applies in any case in which a tax or assessment, whether general or special
(other than a tax on personal income), falls due and re-
 mains unpaid before or during a period of military service
 with respect to a servicemember’s—

“(1) personal property; or

“(2) real property occupied for dwelling, profes-
sional, business, or agricultural purposes by a
 servicemember or the servicemember’s dependents or
 employees—

“(A) before the servicemember’s entry into
 military service; and

“(B) during the time the tax or assessment
 remains unpaid.

“(b) SALE OF PROPERTY.—

“(1) LIMITATION ON SALE OF PROPERTY TO EN-
FORCE TAX ASSESSMENT.—Property described in sub-
section (a) may not be sold to enforce the collection
of such tax or assessment except by court order and
upon the determination by the court that military
service does not materially affect the servicemember’s
ability to pay the unpaid tax or assessment.

“(2) STAY OF COURT PROCEEDINGS.—A court
may stay a proceeding to enforce the collection of such
tax or assessment, or sale of such property, during a
period of military service of the servicemember and
for a period not more than 180 days after the termi-
nation of, or release of the servicemember from, military service.

“(c) Redemption.—When property described in subsection (a) is sold or forfeited to enforce the collection of a tax or assessment, a servicemember shall have the right to redeem or commence an action to redeem the servicemember’s property during the period of military service or within 180 days after termination of or release from military service. This subsection may not be construed to shorten any period provided by the law of a State (including any political subdivision of a State) for redemption.

“(d) Interest on Tax or Assessment.—Whenever a servicemember does not pay a tax or assessment on property described in subsection (a) when due, the amount of the tax or assessment due and unpaid shall bear interest until paid at the rate of 6 percent per year. An additional penalty or interest shall not be incurred by reason of non-payment. A lien for such unpaid tax or assessment may include interest under this subsection.

“(e) Joint Ownership Application.—This section applies to all forms of property described in subsection (a) owned individually by a servicemember or jointly by a servicemember and a dependent or dependents.
SEC. 502. RIGHTS IN PUBLIC LANDS.

(a) Rights Not Forfeited.—The rights of a servicemember to lands owned or controlled by the United States, and initiated or acquired by the servicemember under the laws of the United States (including the mining and mineral leasing laws) before military service, shall not be forfeited or prejudiced as a result of being absent from the land, or by failing to begin or complete any work or improvements to the land, during the period of military service.

(b) Temporary Suspension of Permits or Licenses.—If a permittee or licensee under the Act of June 28, 1934 (43 U.S.C. 315 et seq.), enters military service, the permittee or licensee may suspend the permit or license for the period of military service and for 180 days after termination of or release from military service.

(c) Regulations.—Regulations prescribed by the Secretary of the Interior shall provide for such suspension of permits and licenses and for the remission, reduction, or refund of grazing fees during the period of such suspension.

SEC. 503. DESERT-LAND ENTRIES.

(a) Desert-Land Rights Not Forfeited.—A desert-land entry made or held under the desert-land laws before the entrance of the entryman or the entryman’s suc-
cessor in interest into military service shall not be subject
to contest or cancellation—

“(1) for failure to expend any required amount
per acre per year in improvements upon the claim;
“(2) for failure to effect the reclamation of the
claim during the period the entryman or the
entryman’s successor in interest is in the military
service, or for 180 days after termination of or release
from military service; or
“(3) during any period of hospitalization or re-
habilitation due to an injury or disability incurred
in the line of duty.

The time within which the entryman or claimant is re-
quired to make such expenditures and effect reclamation of
the land shall be exclusive of the time periods described in
paragraphs (2) and (3).

“(b) Service-Related Disability.—If an entryman
or claimant is honorably discharged and is unable to ac-
complish reclamation of, and payment for, desert land due
to a disability incurred in the line of duty, the entryman
or claimant may make proof without further reclamation
or payments, under regulations prescribed by the Secretary
of the Interior, and receive a patent for the land entered
or claimed.
“(c) FILING REQUIREMENT.—In order to obtain the protection of this section, the entryman or claimant shall, within 180 days after entry into military service, cause to be filed in the land office of the district where the claim is situated a notice communicating the fact of military service and the desire to hold the claim under this section.

“SEC. 504. MINING CLAIMS.

“(a) Requirements Suspended.—The provisions of section 2324 of the Revised Statutes of the United States (30 U.S.C. 28) specified in subsection (b) shall not apply to a servicemember’s claims or interests in claims, regularly located and recorded, during a period of military service and 180 days thereafter, or during any period of hospitalization or rehabilitation due to injuries or disabilities incurred in the line of duty.

“(b) Requirements.—The provisions in section 2324 of the Revised Statutes that shall not apply under subsection (a) are those which require that on each mining claim located after May 10, 1872, and until a patent has been issued for such claim, not less than $100 worth of labor shall be performed or improvements made during each year.

“(c) Period of Protection From Forfeiture.—A mining claim or an interest in a claim owned by a servicemember that has been regularly located and recorded shall not be subject to forfeiture for nonperformance of an-
annual assessments during the period of military service and for 180 days thereafter, or for any period of hospitalization or rehabilitation described in subsection (a).

“(d) FILING REQUIREMENT.—In order to obtain the protections of this section, the claimant of a mining location shall, before the end of the assessment year in which military service is begun or within 60 days after the end of such assessment year, cause to be filed in the office where the location notice or certificate is recorded a notice communicating the fact of military service and the desire to hold the mining claim under this section.

“SEC. 505. MINERAL PERMITS AND LEASES.

“(a) SUSPENSION DURING MILITARY SERVICE.—A person holding a permit or lease on the public domain under the Federal mineral leasing laws who enters military service may suspend all operations under the permit or lease for the duration of military service and for 180 days thereafter. The term of the permit or lease shall not run during the period of suspension, nor shall any rental or royalties be charged against the permit or lease during the period of suspension.

“(b) NOTIFICATION.—In order to obtain the protection of this section, the permittee or lessee shall, within 180 days after entry into military service, notify the Secretary of the Interior by registered mail of the fact that military service
has begun and of the desire to hold the claim under this section.

“(c) Contract Modification.—This section shall not be construed to supersede the terms of any contract for operation of a permit or lease.

“SEC. 506. PERFECTION OR DEFENSE OF RIGHTS.

“(a) Right to Take Action Not Affected.—This title shall not affect the right of a servicemember to take action during a period of military service that is authorized by law or regulations of the Department of the Interior, for the perfection, defense, or further assertion of rights initiated or acquired before entering military service.

“(b) Affidavits and Proofs.—

“(1) In General.—A servicemember during a period of military service may make any affidavit or submit any proof required by law, practice, or regulation of the Department of the Interior in connection with the entry, perfection, defense, or further assertion of rights initiated or acquired before entering military service before an officer authorized to provide notary services under section 1044a of title 10, United States Code, or any superior commissioned officer.

“(2) Legal Status of Affidavits.—Such affidavits shall be binding in law and subject to the same
penalties as prescribed by section 1001 of title 18,

United State Code.

"SEC. 507. DISTRIBUTION OF INFORMATION CONCERNING

BENEFITS OF TITLE.

“(a) DISTRIBUTION OF INFORMATION BY SECRETARY

CONCERNED.—The Secretary concerned shall issue to

servicemembers information explaining the provisions of

this title.

“(b) APPLICATION FORMS.—The Secretary concerned

shall provide application forms to servicemembers request-

ing relief under this title.

“(c) INFORMATION FROM SECRETARY OF THE INTE-

RIOR.—The Secretary of the Interior shall furnish to the

Secretary concerned information explaining the provisions

of this title (other than sections 501, 510, and 511) and

related application forms.

"SEC. 508. LAND RIGHTS OF SERVICEMEMBERS.

“(a) NO AGE LIMITATIONS.—Any servicemember

under the age of 21 in military service shall be entitled to

the same rights under the laws relating to lands owned or

controlled by the United States, including mining and min-

eral leasing laws, as those servicemembers who are 21 years

of age.

“(b) RESIDENCY REQUIREMENT.—Any requirement

related to the establishment of a residence within a limited
time shall be suspended as to entry by a servicemember in
military service until 180 days after termination of or re-
lease from military service.

“(c) ENTRY APPLICATIONS.—Applications for entry
may be verified before a person authorized to administer
oaths under section 1044a of title 10, United States Code,
or under the laws of the State where the land is situated.

“SEC. 509. REGULATIONS.

“The Secretary of the Interior may issue regulations
necessary to carry out this title (other than sections 501,
510, and 511).

“SEC. 510. INCOME TAXES.

“(a) DEFERRAL OF TAX.—Upon notice to the Internal
Revenue Service or the tax authority of a State or a polit-
ical subdivision of a State, the collection of income tax on
the income of a servicemember falling due before or during
military service shall be deferred for a period not more than
180 days after termination of or release from military serv-
iece, if a servicemember’s ability to pay such income tax is
materially affected by military service.

“(b) ACCRUAL OF INTEREST OR PENALTY.—No inter-
est or penalty shall accrue for the period of deferment by
reason of nonpayment on any amount of tax deferred under
this section.
“(c) Statute of Limitations.—The running of a statute of limitations against the collection of tax deferred under this section, by seizure or otherwise, shall be suspended for the period of military service of the servicemember and for an additional period of 270 days thereafter.

“(d) Application Limitation.—This section shall not apply to the tax imposed on employees by section 3101 of the Internal Revenue Code of 1986.


“(a) Residence or Domicile.—A servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the servicemember by reason of being absent or present in any tax jurisdiction of the United States solely in compliance with military orders.

“(b) Military Service Compensation.—Compensation of a servicemember for military service shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the servicemember is not a resident or domiciliary of the jurisdiction in which the servicemember is serving in compliance with military orders.

“(c) Personal Property.—
"(1) Relief from personal property taxes.—The personal property of a servicemember shall not be deemed to be located or present in, or to have a situs for taxation in, the tax jurisdiction in which the servicemember is serving in compliance with military orders.

"(2) Exception for property within member’s domicile or residence.—This subsection applies to personal property or its use within any tax jurisdiction other than the servicemember’s domicile or residence.

"(3) Exception for property used in trade or business.—This section does not prevent taxation by a tax jurisdiction with respect to personal property used in or arising from a trade or business, if it has jurisdiction.

"(4) Relationship to law of state of domicile.—Eligibility for relief from personal property taxes under this subsection is not contingent on whether or not such taxes are paid to the State of domicile.

"(d) Increase of tax liability.—A tax jurisdiction may not use the military compensation of a nonresident servicemember to increase the tax liability imposed on other
income earned by the nonresident servicemember or spouse subject to tax by the jurisdiction.

“(e) FEDERAL INDIAN RESERVATIONS.—An Indian servicemember whose legal residence or domicile is a Federal Indian reservation shall be taxed by the laws applicable to Federal Indian reservations and not the State where the reservation is located.

“(f) DEFINITIONS.—For purposes of this section:

“(1) PERSONAL PROPERTY.—The term ‘personal property’ means intangible and tangible property (including motor vehicles).

“(2) TAXATION.—The term ‘taxation’ includes licenses, fees, or excises imposed with respect to motor vehicles and their use, if the license, fee, or excise is paid by the servicemember in the servicemember’s State of domicile or residence.

“(3) TAX JURISDICTION.—The term ‘tax jurisdiction’ means a State or a political subdivision of a State.

‘TITLE VI—ADMINISTRATIVE REMEDIES

‘SEC. 601. INAPPROPRIATE USE OF ACT.

“If a court determines, in any proceeding to enforce a civil right, that any interest, property, or contract has been transferred or acquired with the intent to delay the
just enforcement of such right by taking advantage of this Act, the court shall enter such judgment or make such order as might lawfully be entered or made concerning such transfer or acquisition.

“SEC. 602. CERTIFICATES OF SERVICE; PERSONS REPORTED missing.

“(a) PRIMA FACIE EVIDENCE.—In any proceeding under this Act, a certificate signed by the Secretary concerned is prima facie evidence as to any of the following facts stated in the certificate:

“(1) That a person named is, is not, has been, or has not been in military service.

“(2) The time and the place the person entered military service.

“(3) The person’s residence at the time the person entered military service.

“(4) The rank, branch, and unit of military service of the person upon entry.

“(5) The inclusive dates of the person’s military service.

“(6) The monthly pay received by the person at the date of the certificate’s issuance.

“(7) The time and place of the person’s termination of or release from military service, or the person’s death during military service.
“(b) CERTIFICATES.—The Secretary concerned shall furnish a certificate under subsection (a) upon receipt of an application for such a certificate. A certificate appearing to be signed by the Secretary concerned is prima facie evidence of its contents and of the signer’s authority to issue it.

“(c) TREATMENT OF SERVICEMEMBERS IN MISSING STATUS.—A servicemember who has been reported missing is presumed to continue in service until accounted for. A requirement under this Act that begins or ends with the death of a servicemember does not begin or end until the servicemember’s death is reported to, or determined by, the Secretary concerned or by a court of competent jurisdiction.

“SEC. 603. INTERLOCUTORY ORDERS.

“An interlocutory order issued by a court under this Act may be revoked, modified, or extended by that court upon its own motion or otherwise, upon notification to affected parties as required by the court.

“TITLE VII—FURTHER RELIEF

“SEC. 701. ANTICIPATORY RELIEF.

“(a) APPLICATION FOR RELIEF.—A servicemember may, during military service or within 180 days of termination of or release from military service, apply to a court for relief—
“(1) from any obligation or liability incurred by
the servicemember before the servicemember’s military
service; or
“(2) from a tax or assessment falling due before
or during the servicemember’s military service.
“(b) TAX LIABILITY OR ASSESSMENT.—In a case cov-
ered by subsection (a), the court may, if the ability of the
servicemember to comply with the terms of such obligation
or liability or pay such tax or assessment has been materi-
ally affected by reason of military service, after appropriate
notice and hearing, grant the following relief:
“(1) STAY OF ENFORCEMENT OF REAL ESTATE
CONTRACTS.—
“(A) In the case of an obligation payable in
installments under a contract for the purchase of
real estate, or secured by a mortgage or other in-
strument in the nature of a mortgage upon real
estate, the court may grant a stay of the enforce-
ment of the obligation—
“(i) during the servicemember’s period
of military service; and
“(ii) from the date of termination of or
release from military service, or from the
date of application if made after termi-
nation of or release from military service.
“(B) Any stay under this paragraph shall be—

“(i) for a period equal to the remaining life of the installment contract or other instrument, plus a period of time equal to the period of military service of the servicemember, or any part of such combined period; and

“(ii) subject to payment of the balance of the principal and accumulated interest due and unpaid at the date of termination or release from the applicant’s military service or from the date of application in equal installments during the combined period at the rate of interest on the unpaid balance prescribed in the contract or other instrument evidencing the obligation, and subject to other terms as may be equitable.

“(2) Stay of enforcement of other contracts.—

“(A) In the case of any other obligation, liability, tax, or assessment, the court may grant a stay of enforcement—

“(i) during the servicemember’s military service; and
“(ii) from the date of termination of or release from military service, or from the date of application if made after termination or release from military service.

“(B) Any stay under this paragraph shall be—

“(i) for a period of time equal to the period of the servicemember’s military service or any part of such period; and

“(ii) subject to payment of the balance of principal and accumulated interest due and unpaid at the date of termination or release from military service, or the date of application, in equal periodic installments during this extended period at the rate of interest as may be prescribed for this obligation, liability, tax, or assessment, if paid when due, and subject to other terms as may be equitable.

“(c) Effect of Stay on Fine or Penalty.—When a court grants a stay under this section, a fine or penalty shall not accrue on the obligation, liability, tax, or assessment for the period of compliance with the terms and conditions of the stay.
“SEC. 702. POWER OF ATTORNEY.

“(a) AUTOMATIC EXTENSION.—A power of attorney of a servicemember shall be automatically extended for the period the servicemember is in a missing status (as defined in section 551(2) of title 37, United States Code) if the power of attorney—

“(1) was duly executed by the servicemember—

“(A) while in military service; or

“(B) before entry into military service but after the servicemember—

“(i) received a call or order to report for military service; or

“(ii) was notified by an official of the Department of Defense that the person could receive a call or order to report for military service;

“(2) designates the servicemember’s spouse, parent, or other named relative as the servicemember’s attorney in fact for certain, specified, or all purposes; and

“(3) expires by its terms after the servicemember entered a missing status.

“(b) LIMITATION ON POWER OF ATTORNEY EXTENSION.—A power of attorney executed by a servicemember may not be extended under subsection (a) if the document by its terms clearly indicates that the power granted expires
on the date specified even though the servicemember, after
the date of execution of the document, enters a missing sta-
tus.

"SEC. 703. PROFESSIONAL LIABILITY PROTECTION.

"(a) APPLICABILITY.—This section applies to a
servicemember who—

“(1) after July 31, 1990, is ordered to active
duty (other than for training) pursuant to sections
688, 12301(a), 12301(g), 12302, 12304, 12306, or
12307 of title 10, United States Code, or who is or-
dered to active duty under section 12301(d) of such
title during a period when members are on active
duty pursuant to any of the preceding sections; and

“(2) immediately before receiving the order to ac-
tive duty—

“(A) was engaged in the furnishing of
health-care or legal services or other services de-
termined by the Secretary of Defense to be pro-
fessional services; and

“(B) had in effect a professional liability
insurance policy that does not continue to cover
claims filed with respect to the servicemember
during the period of the servicemember’s active
duty unless the premiums are paid for such cov-
erage for such period.
“(b) SUSPENSION OF COVERAGE.—

“(1) SUSPENSION.—Coverage of a servicemember referred to in subsection (a) by a professional liability insurance policy shall be suspended by the insurance carrier in accordance with this subsection upon receipt of a written request from the servicemember, or the servicemember’s legal representative, by the insurance carrier.

“(2) PREMIUMS FOR SUSPENDED CONTRACTS.—

A professional liability insurance carrier—

“(A) may not require that premiums be paid by or on behalf of a servicemember for any professional liability insurance coverage suspended pursuant to paragraph (1); and

“(B) shall refund any amount paid for coverage for the period of such suspension or, upon the election of such servicemember, apply such amount for the payment of any premium becoming due upon the reinstatement of such coverage.

“(3) NONLIABILITY OF CARRIER DURING SUSPENSION.—A professional liability insurance carrier shall not be liable with respect to any claim that is based on professional conduct (including any failure to take any action in a professional capacity) of a servicemember that occurs during a period of suspen-
sion of that servicemember’s professional liability in-
surance under this subsection.

“(4) Certain claims considered to arise
before suspension.—For the purposes of para-
graph (3), a claim based upon the failure of a profes-
sional to make adequate provision for a patient, cli-
ent, or other person to receive professional services or
other assistance during the period of the professional’s
active duty service shall be considered to be based on
an action or failure to take action before the begin-
ning of the period of the suspension of professional li-
ability insurance under this subsection, except in a
case in which professional services were provided after
the date of the beginning of such period.

“(c) Reinstatement of Coverage.—

“(1) Reinstatement required.—Professional
liability insurance coverage suspended in the case of
any servicemember pursuant to subsection (b) shall be
reinstated by the insurance carrier on the date on
which that servicemember transmits to the insurance
carrier a written request for reinstatement.

“(2) Time and premium for reinstatement.—The request of a servicemember for reinsta-
ment shall be effective only if the servicemember
transmits the request to the insurance carrier within
30 days after the date on which the servicemember is released from active duty. The insurance carrier shall notify the servicemember of the due date for payment of the premium of such insurance. Such premium shall be paid by the servicemember within 30 days after receipt of that notice.

“(3) PERIOD OF REINSTATED COVERAGE.—The period for which professional liability insurance coverage shall be reinstated for a servicemember under this subsection may not be less than the balance of the period for which coverage would have continued under the insurance policy if the coverage had not been suspended.

“(d) INCREASE IN PREMIUM.—

“(1) LIMITATION ON PREMIUM INCREASES.—An insurance carrier may not increase the amount of the premium charged for professional liability insurance coverage of any servicemember for the minimum period of the reinstatement of such coverage required under subsection (c)(3) to an amount greater than the amount chargeable for such coverage for such period before the suspension.

“(2) EXCEPTION.—Paragraph (1) does not prevent an increase in premium to the extent of any general increase in the premiums charged by that carrier
for the same professional liability coverage for persons
similarly covered by such insurance during the period
of the suspension.

“(c) Continuation of Coverage of Unaffected Persons.—This section does not—

“(1) require a suspension of professional liability insurance protection for any person who is not a per-
son referred to in subsection (a) and who is covered by the same professional liability insurance as a per-
son referred to in such subsection; or

“(2) relieve any person of the obligation to pay premiums for the coverage not required to be sus-
pended.

“(f) Stay of Civil or Administrative Actions.—

“(1) Stay of Actions.—A civil or administrative action for damages on the basis of the alleged professional negligence or other professional liability of a servicemember whose professional liability insurance coverage has been suspended under subsection (b) shall be stayed until the end of the period of the sus-
pension if—

“(A) the action was commenced during the period of the suspension;
“(B) the action is based on an act or omission that occurred before the date on which the suspension became effective; and

“(C) the suspended professional liability insurance would, except for the suspension, on its face cover the alleged professional negligence or other professional liability negligence or other professional liability of the servicemember.

“(2) Date of Commencement of Action.—Whenever a civil or administrative action for damages is stayed under paragraph (1) in the case of any servicemember, the action shall have been deemed to have been filed on the date on which the professional liability insurance coverage of the servicemember is reinstated under subsection (c).

“(g) Effect of Suspension Upon Limitations Period.—In the case of a civil or administrative action for which a stay could have been granted under subsection (f) by reason of the suspension of professional liability insurance coverage of the defendant under this section, the period of the suspension of the coverage shall be excluded from the computation of any statutory period of limitation on the commencement of such action.

“(h) Death During Period of Suspension.—If a servicemember whose professional liability insurance cov-
erage is suspended under subsection (b) dies during the period of the suspension—

“(1) the requirement for the grant or continuance of a stay in any civil or administrative action against such servicemember under subsection (f)(1) shall terminate on the date of the death of such servicemember; and

“(2) the carrier of the professional liability insurance so suspended shall be liable for any claim for damages for professional negligence or other professional liability of the deceased servicemember in the same manner and to the same extent as such carrier would be liable if the servicemember had died while covered by such insurance but before the claim was filed.

“(i) Definitions.—For purposes of this section:

“(1) The term ‘active duty’ has the meaning given that term in section 101(d)(1) of title 10, United States Code.

“(2) The term ‘profession’ includes occupation.

“(3) The term ‘professional’ includes occupational.

“SEC. 704. HEALTH INSURANCE REINSTATMENT.

“(a) Reinstatement of Health Insurance.—A servicemember who, by reason of military service as defined
in section 703(a)(1), is entitled to the rights and protections of this Act shall also be entitled upon termination or release from such service to reinstatement of any health insurance that—

“(1) was in effect on the day before such service commenced; and

“(2) was terminated effective on a date during the period of such service.

“(b) No Exclusion or Waiting Period.—The reinstatement of health care insurance coverage for the health or physical condition of a servicemember described in subsection (a), or any other person who is covered by the insurance by reason of the coverage of the servicemember, shall not be subject to an exclusion or a waiting period, if—

“(1) the condition arose before or during the period of such service;

“(2) an exclusion or a waiting period would not have been imposed for the condition during the period of coverage; and

“(3) if the condition relates to the servicemember, the condition has not been determined by the Secretary of Veterans Affairs to be a disability incurred or aggravated in the line of duty (within the meaning of section 105 of title 38, United States Code).
“(c) EXCEPTIONS.—Subsection (a) does not apply to a servicemember entitled to participate in employer-offered insurance benefits pursuant to the provisions of chapter 43 of title 38, United States Code.

“(d) TIME FOR APPLYING FOR REINSTATEMENT.—An application under this section must be filed not later than 120 days after the date of the termination of or release from military service.

“SEC. 705. GUARANTEE OF RESIDENCY FOR MILITARY PERSONNEL.

“For the purposes of voting for any Federal office (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)) or a State or local office, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—

“(1) be deemed to have lost a residence or domicile in that State, without regard to whether or not the person intends to return to that State;

“(2) be deemed to have acquired a residence or domicile in any other State; or

“(3) be deemed to have become a resident in or a resident of any other State.”.
SEC. 2. CONFORMING AMENDMENTS.

(a) MILITARY SELECTIVE SERVICE ACT.—Section 14 of the Military Selective Service Act (50 U.S.C. App. 464) is repealed.

(b) TITLE 5, UNITED STATES CODE.—

(1) Section 5520a(k)(2)(A) of title 5, United States Code, is amended by striking “Soldiers’ and Sailors’ Civil Relief Act of 1940” and inserting “Servicemembers Civil Relief Act”; and

(2) Section 5569(e) of title 5, United States Code, is amended—

(A) in paragraph (1), by striking “provided by the Soldiers’ and Sailors’ Civil Relief Act of 1940” and all that follows through “of such Act” and inserting “provided by the Servicemembers Civil Relief Act, including the benefits provided by section 702 of such Act but excluding the benefits provided by sections 104, 105, and 106, title IV, and title V (other than sections 501 and 510) of such Act”; and

(B) in paragraph (2)(A), by striking “person in the military service” and inserting “servicemember”.

(c) TITLE 10, UNITED STATES CODE.—Section 1408(b)(1)(D) of title 10, United States Code, is amended
by striking “Soldiers’ and Sailors’ Civil Relief Act of 1940”
and inserting “Servicemembers Civil Relief Act”.

(d) INTERNAL REVENUE CODE.—Section 7654(d)(1) of
the Internal Revenue Code of 1986 is amended by striking
“Soldiers’ and Sailors’ Civil Relief Act” and inserting
“Servicemembers Civil Relief Act”.

(e) PUBLIC HEALTH SERVICE ACT.—Section 212(e) of
the Public Health Service Act (42 U.S.C. 213(e)) is amend-
ed by striking “Soldiers’ and Sailors’ Civil Relief Act of
1940” and inserting “Servicemembers Civil Relief Act”.

(f) ELEMENTARY AND SECONDARY EDUCATION ACT OF
1965.—Section 8001 of the Elementary and Secondary
Education Act of 1965 (20 U.S.C. 7701) is amended by
striking “section 514 of the Soldiers’ and Sailors’ Civil Re-
lief Act of 1940 (50 U.S.C. App. 574)” in the matter pre-
ceding paragraph (1) and inserting “section 511 of the
Servicemembers Civil Relief Act”.

SEC. 3. EFFECTIVE DATE.

The amendment made by section 1 shall apply to any
case that is not final before the date of the enactment of
this Act.
A BILL

To restate, clarify, and revise the Soldiers’ and Sailors’ Civil Relief Act of 1940.

APRIL 30, 2003

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed