

110TH CONGRESS  
2D SESSION

# S. 2764

To amend the Servicemembers Civil Relief Act to enhance protections for servicemembers relating to mortgages and mortgage foreclosures, and for other purposes

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IN THE SENATE OF THE UNITED STATES

MARCH 13, 2008

Mr. KERRY introduced the following bill; which was read twice and referred to the Committee on Armed Services

APRIL 3, 2008

Committee discharged; referred to the Committee on Veterans' Affairs

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## A BILL

To amend the Servicemembers Civil Relief Act to enhance protections for servicemembers relating to mortgages and mortgage foreclosures, and for other purposes

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

3 **SECTION 1. ENHANCEMENT OF PROTECTIONS FOR**  
4 **SERVICEMEMBERS RELATING TO MORT-**  
5 **GAGES AND MORTGAGE FORECLOSURES.**

6 (a) TREATMENT OF MORTGAGES AS OBLIGATIONS  
7 SUBJECT TO INTEREST RATE LIMITATION.—Section 207

1 of the Servicemembers Civil Relief Act (50 U.S.C. App.  
2 527) is amended—

3 (1) in subsection (a)(1), by striking “in excess  
4 of 6 percent” and all that follows and inserting “in  
5 excess of 6 percent—

6 “(A) during the period of military service  
7 and one year thereafter, in the case of an obli-  
8 gation or liability consisting of a mortgage,  
9 trust deed, or other security in the nature of a  
10 mortgage; or

11 “(B) during the period of military service,  
12 in the case of any other obligation or liability.”;  
13 and

14 (2) by striking subsection (d) and inserting the  
15 following new subsection:

16 “(d) DEFINITIONS.—In this section:

17 “(1) INTEREST.—The term ‘interest’ includes  
18 service charges, renewal charges, fees, or any other  
19 charges (except bona fide insurance) with respect to  
20 an obligation or liability.

21 “(2) OBLIGATION OR LIABILITY.—The term  
22 ‘obligation or liability’ includes an obligation or li-  
23 ability consisting of a mortgage, trust deed, or other  
24 security in the nature of a mortgage.”.

1       (b) EXTENSION OF PERIOD OF PROTECTIONS  
2 AGAINST MORTGAGE FORECLOSURES.—

3           (1) EXTENSION OF PROTECTION PERIOD.—Sub-  
4 section (c) of section 303 of the Servicemembers  
5 Civil Relief Act (50 U.S.C. App. 533) is amended by  
6 striking “90 days” and inserting “one year”.

7           (2) EXTENSION OF STAY OF PROCEEDINGS PE-  
8 RIOD.—Subsection (b) of such section is amended by  
9 striking “90 days” and inserting “one year”.

10       (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall take effect on the date of the enactment  
12 of this Act.

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