

113TH CONGRESS
1ST SESSION

H. R. 1223

To amend the Servicemembers Civil Relief Act to ensure that relocation of a servicemember to serve on active duty away from the servicemember's principal residence does not prevent the servicemember from refinancing a mortgage on that principal residence.

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 2013

Mr. HUNTER (for himself, Mrs. DAVIS of California, Mr. TURNER, and Mr. RYAN of Ohio) introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To amend the Servicemembers Civil Relief Act to ensure that relocation of a servicemember to serve on active duty away from the servicemember's principal residence does not prevent the servicemember from refinancing a mortgage on that principal residence.

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. SHORT TITLE.**

4 This Act may be cited as the “Fairness for Military
5 Homeowners Act of 2013”.

1 **SEC. 2. TREATMENT OF RELOCATION OF MEMBERS OF THE**
2 **ARMED FORCES FOR ACTIVE DUTY FOR PUR-**
3 **POSES OF MORTGAGE REFINANCING.**

4 (a) IN GENERAL.—Title III of the Servicemembers
5 Civil Relief Act is amended by inserting after section 303
6 (50 U.S.C. App. 533) the following new section:

7 **“SEC. 303A. TREATMENT OF RELOCATION OF**
8 **SERVICEMEMBERS FOR ACTIVE DUTY FOR**
9 **PURPOSES OF MORTGAGE REFINANCING.**

10 “(a) TREATMENT OF ABSENCE FROM RESIDENCE
11 DUE TO ACTIVE DUTY.—While a servicemember who is
12 the mortgagor under an existing mortgage does not reside
13 in the residence that secures the existing mortgage be-
14 cause of a relocation described in subsection (c)(1)(B), if
15 the servicemember inquires about or applies for a covered
16 refinancing mortgage, the servicemember shall be consid-
17 ered, for all purposes relating to the covered refinancing
18 mortgage (including such inquiry or application and eligi-
19 bility for, and compliance with, any underwriting criteria
20 and standards regarding such covered refinancing mort-
21 gage) to occupy the residence that secures the existing
22 mortgage to be paid or prepaid by such covered refi-
23 nancing mortgage as the principal residence of the service-
24 member during the period of such relocation.

25 “(b) LIMITATION.—Subsection (a) shall not apply
26 with respect to a servicemember who inquires about or ap-

1 plies for a covered refinancing mortgage if, during the 5-
2 year period preceding the date of such inquiry or applica-
3 tion, the servicemember entered into a covered refinancing
4 mortgage pursuant to this section.

5 “(c) DEFINITIONS.—In this section:

6 “(1) EXISTING MORTGAGE.—The term ‘existing
7 mortgage’ means a mortgage that is secured by a 1-
8 to 4-family residence, including a condominium or a
9 share in a cooperative ownership housing associa-
10 tion, that was the principal residence of a service-
11 member for a period that—

12 “(A) had a duration of 13 consecutive
13 months or longer; and

14 “(B) ended upon the relocation of the serv-
15 icemember caused by the servicemember receiv-
16 ing military orders for a permanent change of
17 station or to deploy with a military unit, or as
18 an individual in support of a military operation,
19 for a period of not less than 18 months that did
20 not allow the servicemember to continue to oc-
21 cupy such residence as a principal residence.

22 “(2) COVERED REFINANCING MORTGAGE.—The
23 term ‘covered refinancing mortgage’ means any
24 mortgage that—

1 “(A) is made for the purpose of paying or
2 prepaying, and extinguishing, the outstanding
3 obligations under an existing mortgage or mort-
4 gages; and

5 “(B) is secured by the same residence that
6 secured such existing mortgage or mortgages.”.

7 (b) CLERICAL AMENDMENT.—The table of contents
8 in section 1(b) of such Act is amended by inserting after
9 the item relating to section 303 the following new item:

 “303A. Treatment of relocation of servicemembers for active duty for purposes
 of mortgage refinancing.”.

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