

**AMENDMENT TO THE RULES COMMITTEE PRINT
OF H.R. 4310
OFFERED BY MR. CUMMINGS OF MARYLAND**

At the end of subtitle G of title VI, add the following
new section:

1 **SEC. 664. MORTGAGE PROTECTION FOR MEMBERS OF THE**
2 **ARMED FORCES, SURVIVING SPOUSES, AND**
3 **CERTAIN VETERANS.**

4 (a) MORTGAGE PROTECTION.—

5 (1) IN GENERAL.—Section 303 of the
6 Servicemembers Civil Relief Act (50 U.S.C. App.
7 533) is amended to read as follows:

8 **“SEC. 303. MORTGAGES AND TRUST DEEDS.**

9 “(a) MORTGAGE AS SECURITY.—This section applies
10 only to an obligation on real or personal property that is
11 secured by a mortgage, trust deed, or other security in
12 the nature of a mortgage and is owned by a covered indi-
13 vidual as follows:

14 “(1) With respect to an obligation on real or
15 personal property owned by a servicemember, such
16 obligation that originated before the period of the
17 servicemember’s military service and for which the
18 servicemember is still obligated.

1 “(2) With respect to an obligation on real prop-
2 erty owned by a servicemember serving in support of
3 a contingency operation (as defined in section
4 101(a)(13) of title 10, United States Code), such ob-
5 ligation that originated at any time and for which
6 the servicemember is still obligated.

7 “(3) With respect to an obligation on real prop-
8 erty owned by a veteran described in subsection
9 (f)(1)(B), such obligation that originated at any
10 time and for which the veteran is still obligated.

11 “(4) With respect to an obligation on real prop-
12 erty owned by a surviving spouse described in sub-
13 section (f)(1)(C), such obligation that originated at
14 any time and for which the spouse is still obligated.

15 “(b) STAY OF PROCEEDINGS AND ADJUSTMENT OF
16 OBLIGATION.—(1) In an action filed during a covered
17 time period to enforce an obligation described in sub-
18 section (a), the court may after a hearing and on its own
19 motion and shall upon application by a covered individual
20 when the individual’s ability to comply with the obligation
21 is materially affected by military service—

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

24 “(B) adjust the obligation to preserve the inter-
25 ests of all parties.

1 “(2) For purposes of applying paragraph (1) to a cov-
2 ered individual who is a surviving spouse of a
3 servicemember described in subsection (f)(1)(C), the term
4 ‘military service’ means the service of such servicemember.

5 “(c) SALE OR FORECLOSURE.— A sale, foreclosure,
6 or seizure of property for a breach of an obligation de-
7 scribed in subsection (a) shall not be valid during a cov-
8 ered time period except—

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

12 “(2) if made pursuant to an agreement as pro-
13 vided in section 107.

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

20 “(e) PROOF OF SERVICE.—(1) A veteran described
21 in subsection (f)(1)(B) shall provide documentation de-
22 scribed in paragraph (2) to relevant persons to prove the
23 eligibility of the veteran to be covered under this section.

24 “(2) Documentation described in this paragraph is a
25 rating decision or a letter from the Department of Vet-

1 erans Affairs that confirms that the veteran is totally dis-
2 abled because of one or more service-connected injuries or
3 service-connected disability conditions.

4 “(f) DEFINITIONS.—In this section:

5 “(1) The term ‘covered individual’ means the
6 following individuals:

7 “(A) A servicemember.

8 “(B) A veteran who was retired under
9 chapter 61 of title 10, United States Code, and
10 whom the Secretary of Veterans Affairs, at the
11 time of such retirement, determines is a totally
12 disabled veteran.

13 “(C) A surviving spouse of a
14 servicemember who—

15 “(i) died while serving in support of a
16 contingency operation if such spouse is the
17 successor in interest to property covered
18 under subsection (a); or

19 “(ii) died while in military service and
20 whose death is service-connected if such
21 spouse is the successor in interest to prop-
22 erty covered under subsection (a).

23 “(2) The term ‘covered time period’ means the
24 following time periods:

1 “(A) With respect to a servicemember,
2 during the period beginning on the date on
3 which such servicemember begins military serv-
4 ice and ending on the date that is 12 months
5 after the date on which such servicemember is
6 discharged from such service.

7 “(B) With respect to a servicemember
8 serving in support of a contingency operation,
9 during the period beginning on the date of the
10 military orders for such service and ending on
11 the date that is 12 months after the date on
12 which such servicemember redeploys from such
13 contingency operation.

14 “(C) With respect to a veteran described in
15 subsection (f)(1)(B), during the 12-month pe-
16 riod beginning on the date of the retirement of
17 such veteran described in such subsection.

18 “(D) With respect to a surviving spouse of
19 a servicemember described in subsection
20 (f)(1)(C), during the 12-month period begin-
21 ning on the date of the death of the
22 servicemember.”.

23 (2) CONFORMING AMENDMENT.—Section 107
24 of the Servicemembers Civil Relief Act (50 U.S.C.

1 App. 517) is amended by adding at the end the fol-
2 lowing:

3 “(e) OTHER INDIVIDUALS.—For purposes of this sec-
4 tion, the term ‘servicemember’ includes any covered indi-
5 vidual under section 303(f)(1).”.

6 (3) REPEAL OF SUNSET.—Subsection (c) of
7 section 2203 of the Housing and Economic Recovery
8 Act of 2008 (Public Law 110–289; 50 U.S.C. App.
9 533 note) is amended to read as follows:

10 “(c) EFFECTIVE DATE.—The amendments made by
11 subsection (a) shall take effect on the date of the enact-
12 ment of this Act.”.

13 (b) INCREASED CIVIL PENALTIES FOR MORTGAGE
14 VIOLATIONS.—Paragraph (3) of section 801(b) of the
15 Servicemembers Civil Relief Act (50 U.S.C. App.
16 597(b)(3)) is amended to read as follows:

17 “(3) to vindicate the public interest, assess a
18 civil penalty—

19 “(A) with respect to a violation of section
20 303 regarding real property—

21 “(i) in an amount not exceeding
22 \$110,000 for a first violation; and

23 “(ii) in an amount not exceeding
24 \$220,000 for any subsequent violation; and

1 “(B) with respect to any other violation of
2 this Act—

3 “(i) in an amount not exceeding
4 \$55,000 for a first violation; and

5 “(ii) in an amount not exceeding
6 \$110,000 for any subsequent violation.”.

7 (c) CREDIT DISCRIMINATION.—Section 108 of such
8 Act (50 U.S.C. App. 518) is amended—

9 (1) by striking “Application by” and inserting
10 “(a) Application by”; and

11 (2) by adding at the end the following new sub-
12 section:

13 “(b) In addition to the protections under subsection
14 (a), an individual who is eligible, or who may likely become
15 eligible, for any provision of this Act may not be denied
16 or refused credit or be subject to any other action de-
17 scribed under paragraphs (1) through (6) of subsection
18 (a) solely by reason of such eligibility.”.

19 (d) REQUIREMENTS FOR LENDING INSTITUTIONS
20 THAT ARE CREDITORS FOR OBLIGATIONS AND LIABIL-
21 ITIES COVERED BY THE SERVICEMEMBERS CIVIL RELIEF
22 ACT.—Section 207 of the Servicemembers Civil Relief Act
23 (50 U.S.C. App. 527) is amended—

24 (1) by redesignating subsections (d) and (e) as
25 subsections (e) and (f), respectively; and

1 (2) by inserting after subsection (c) the fol-
2 lowing new subsection (d):

3 “(d) LENDING INSTITUTION REQUIREMENTS.—

4 “(1) COMPLIANCE OFFICERS.—Each lending in-
5 stitution subject to the requirements of this section
6 shall designate an employee of the institution as a
7 compliance officer who is responsible for ensuring
8 the institution’s compliance with this section and for
9 distributing information to servicemembers whose
10 obligations and liabilities are covered by this section.

11 “(2) TOLL-FREE TELEPHONE NUMBER.—Dur-
12 ing any fiscal year, a lending institution subject to
13 the requirements of this section that had annual as-
14 sets for the preceding fiscal year of \$10,000,000,000
15 or more shall maintain a toll-free telephone number
16 and shall make such telephone number available on
17 the primary Internet Web site of the institution.”.

