

S 2719

SCRA Enhancement and Improvement Act of 2016

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Armed Forces and National Security

Introduced: Mar 17, 2016

Current Status: Read twice and referred to the Committee on Veterans' Affairs. (Sponsor introductory remarks on meas

Latest Action: Read twice and referred to the Committee on Veterans' Affairs. (Sponsor introductory remarks on measure: CR S1598-1599) (Mar 17, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/2719>

Sponsor

Name: Sen. Murray, Patty [D-WA]

Party: Democratic • **State:** WA • **Chamber:** Senate

Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Blumenthal, Richard [D-CT]	D · CT		Mar 17, 2016
Sen. Durbin, Richard J. [D-IL]	D · IL		Mar 17, 2016
Sen. Sanders, Bernard [I-VT]	I · VT		Mar 17, 2016
Sen. Warren, Elizabeth [D-MA]	D · MA		Mar 17, 2016

Committee Activity

Committee	Chamber	Activity	Date
Veterans' Affairs Committee	Senate	Referred To	Mar 17, 2016

Subjects & Policy Tags

Policy Area:

Armed Forces and National Security

Related Bills

No related bills are listed.

SCRA Enhancement and Improvement Act of 2016

This bill amends the Servicemembers Civil Relief Act (SCRA) to require servicers of federally issued or guaranteed student loans to use the Defense Manpower Data Center to monitor the duty status of service member borrowers.

A servicer shall notify: (1) the Department of Education, the Consumer Financial Protection Bureau (CFPB), and the service member prior to selling or transferring such loan to another servicer; and (2) a service member regarding any denied SCRA benefit or protection, including an explanation for such decision and a description of related appeal procedures.

A service member who dies: (1) in the line of duty while on active duty shall have student loans forgiven, and (2) from a service-connected death shall have the balance of federally issued or guaranteed student loans forgiven.

The interest cap on debt incurred by a service member before entering service is extended to cover all loans regardless of when the debt is incurred. Such cap is reduced: (1) from 6% to 3%, and (2) to 0% during the time a service member is eligible for hostile fire pay.

Each federal student loan servicer shall: (1) employ at least one dedicated service member representative, and (2) ensure that each service member's request for an SCRA benefit or protection is processed within 14 days after such request is received or by such date as ED may prescribe, whichever is earlier.

Each student loan servicer shall inquire whether an applicant or cosigner has served in the military and, if so, shall inform the individual of his or her SCRA rights and protections.

The CFPB shall: (1) establish and make available an Internet database to evaluate student loan servicers, and (2) develop a servicer oversight plan.

The termination/repossession protection period for a service member who breaches an installment contract for the purchase of real or personal property is extended until one year after completion of military service.

Mortgage prepayment penalties may not accrue during military service.

The expiration of a license issued by a state or local licensing authority to a service member, or a continuing education requirement to maintain such a license, is delayed to 180 days after such service member is no longer eligible for hostile fire special pay.

Protections are expanded with respect to collection of property taxes owed by a service member.

The bill prohibits denial of credit to a service member solely by reason of entitlement to SCRA protections.

Due diligence requirements are expanded for determining whether an individual is a service member prior to taking a default judgment against such individual.

SCRA protections are extended to service members who are personally liable as a guarantor or co-maker of a mortgage, trust deed, or other security in the nature of a mortgage.

The Department of Justice may issue a civil investigative demand for documents relating to an investigation under SCRA

prior to initiating a civil action for violations of such Act.

The bill permits the use of Arbitration under SCRA only if all parties consent in writing.

The bill doubles penalties for SCRA violations.

Actions Timeline

- **Mar 17, 2016:** Introduced in Senate
- **Mar 17, 2016:** Read twice and referred to the Committee on Veterans' Affairs. (Sponsor introductory remarks on measure: CR S1598-1599)