



Measure to Extend SCRA Foreclosure Protections Awaiting President's Signature

A bill (S. 3008) that would extend the sunset date on foreclosure protection provisions under the Servicemembers Civil Relief Act (SCRA) from December 31, 2014 to December 31, 2015 has been sent to President Obama for signature.

Recall that SCRA provides certain protections to servicemembers and their dependents. Among other things, Section 533 addresses obligations that are secured by a mortgage or trust deed on a servicemember's real property. The statute provides that a court can either stay a proceeding or adjust the obligation to preserve the interests of the parties in an action filed during or within one year after the servicemember's period of military service. Note that the court's authority is limited to actions pertaining to obligations that were originated before the start of the servicemember's period of military service.

The SCRA originally allowed the foreclosure protections to be invoked for only 90 days following a servicemember's period of military service. This provision has been amended a couple of times in recent years to increase the protection period. The most recent amendment was in February 2013 under the Honoring America's Veterans and Caring for Camp Lejeune Families Act, which extended the foreclosure protections to apply for 12 months following a servicemember's period of military service. The 12-month foreclosure protection period is set to expire at the end of this year, December 31, 2014, at which time it would revert back to 90 days following the end of a servicemember's military service. S. 3008, known as the "Foreclosure Relief and Extension of Servicemembers Act," would revise the sunset date from December 31, 2014 to December 31, 2015. Both the House and the Senate have approved S. 3008, which now awaits the President's signature, which seems likely.