



American
Bankers
Association®



December 4, 2014

Dear Chairmen McKeon, Miller, Levin and Sanders and Ranking members:

Our organizations are writing to express our strong support for extending the protection from foreclosure for military personnel leaving active duty under the Servicemembers Civil Relief Act (SCRA). The current one-year protection from foreclosure will expire at the end of 2014 and revert to the original three month protection under the SCRA. We support extending the foreclosure moratorium for a minimum of one year.

As you know, in 2012 Congress extended the SCRA protection against foreclosure for military personnel from three months to one-year post-military service to allow service members and military families sufficient time to get on their feet financially, and avoid the stress of potentially losing their home. Some service members, particularly those leaving active-duty and re-acclimating to civilian life, continue to face potential financial challenges. These challenges may include a delay in finding new employment after leaving active duty service. Additionally, slow recoveries in real-estate markets in some areas of the country, particularly in areas surrounding military bases, can make it difficult for military members to sell their homes or purchase new ones upon receiving new orders resulting from a Permanent Change of Station (PCS).

Because of the challenges facing some military customers, many of our member companies have established the one-year protection from foreclosure as bedrock company policy. Maintaining the one-year protection period would benefit many military customers and avoid unnecessary potential confusion rather than revert back to the original three month period. It would also maintain continuity in the standard and systems for all lender/servicers.

We believe it would be good public policy and provide uniform treatment for service members for an additional year. Our members support extending this protection. In addition, an extension of the protection has been supported by the American Legion, Veterans of Foreign Wars (VFW), Iraq and Afghanistan Veterans of America (IAVA), and Military Officers Association of American (MOAA).

We appreciate your attention to this issue and would be happy to discuss it further with you and your staff.



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Sincerely,

American Bankers Association
Housing Policy Council of the Financial Services Roundtable
Independent Community Bankers of America
Mortgage Bankers Association
National Association of REALTORS®

Cc: The Honorable John Boehner, Speaker
The Honorable Harry Reid, Senate Majority Leader
The Honorable Nancy Pelosi, House Minority Leader
The Honorable Mitch McConnell, Senate Minority Leader