Amendment to Rules Committee Print 115–23

Offered by Mr. Heck of Washington

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

SEC. 575. PROOF OF PERIOD OF MILITARY SERVICE FOR PURPOSES OF INTEREST RATE LIMITATION UNDER THE SERVICEMEMBERS CIVIL RELIEF ACT.

Section 207(b)(1) of the Servicemembers Civil Relief Act (50 U.S.C. 3937(b)(1)) is amended to read as follows:

“(1) Proof of military service.—

“(A) In general.—Not later than 180 days after the date of a servicemember’s termination or release from military service, in order for an obligation or liability of the servicemember to be subject to the interest rate limitation in subsection (a), the servicemember shall provide to the creditor written notice and a copy of—

“(i) the military orders calling the servicemember to military service and any
orders further extending military service;

or

“(ii) any other appropriate indicator of military service, including a certified letter from a commanding officer.

“(B) INDEPENDENT VERIFICATION BY CREDITOR.—

“(i) IN GENERAL.—Regardless of whether a servicemember has provided to a creditor the written notice and documentation under subparagraph (A), the creditor may use, in lieu of such notice and documentation, information retrieved from the Defense Manpower Database Center through the creditor’s normal business reviews of the Database Center for purposes of obtaining information indicating that the servicemember is on active duty.

“(ii) SAFE HARBOR.—A creditor that uses the information retrieved from the Defense Manpower Database Center under clause (i) with respect to a servicemember has not failed to treat the debt of the servicemember in accordance with subsection (a) if—
“(I) such information indicates
that, on the date the creditor retrieves
such information, the servicemember
is not on active duty; and

“(II) the creditor has not, as of
such date, received the written notice
and documentation required under
subparagraph (A) with respect to the
servicemember.”.