



Legislative Alert #113-36: SUPPORT H.R. 4068 & S. 1999, the SCRA Rights Protection Act of 2014 [Take Action!](#)
MILITARY

Issue Background: The purpose of Servicemembers Civil Relief Act (SCRA) is to help reduce the legal and financial burdens that military duty places on our military personnel and their families. It is important for servicemembers to be able to focus on protecting our nation rather than being unduly stressed during deployment by predatory schemes such as scams, abuses and frauds that cause financial difficulties at home. SCRA does not grant the servicemember immunity from civil lawsuits or debts. Rather, the law in its current form postpones actions until the servicemember is in a position to address them.

The legislation has been amended several times since becoming law in 2003 to address the evolving issues surrounding military service covered by SCRA, and now includes matters concerning housing, insurance, and child custody. A 2012 Government Accountability Office (GAO) report, however, identified that there were at least 15,000 instances of financial institutions failing to properly reduce servicemembers' mortgage interest rates and more than 300 illegal foreclosures in violation of SCRA. Many of these wronged servicemembers were unable to enforce their SCRA rights because of "voluntary" SCRA waivers and forced arbitration, which prevents them from utilizing our civil justice system and instead funnels SCRA claims into a one-sided arbitration system rigged by the same bad actors violating the law.

Action Required: Contact your Representatives and Senators and urge them to support and cosponsor H.R. 4068, introduced by Representative Walter Jones (R-NC-03) and S. 1999, introduced by Senator Lindsey Graham (R-SC) and Senator Jack Reed (D-RI), the SCRA Rights Protection Act of 2014. These bills would eliminate forced arbitration and preserve the rights of servicemembers to bring class actions in disputes covered by SCRA.

Details (To Be Put Into Letter):

The initial purpose of the original Servicemembers Civil Relief Act (SCRA) was noble. The legislation recognized the uncommon burden placed on servicemembers while serving on Active Duty and was intended to protect our nation's heroes from foreclosures, civil lawsuits, and excessive interest rates on unpaid debts, poor credit ratings, and child custody problems while their military service prevented them from addressing these issues. In general, SCRA performed respectably, undergoing many amendments and improvements over the last decade. However, it is

becoming increasingly difficult for servicemembers to enforce their SCRA rights due to the expanded use of forced arbitration clauses hidden in the fine print of many contracts. These clauses prevent our brave men and women in uniform from utilizing the civil justice system and instead funnel SCRA claims into an arbitration system set up by those who are originally violating the law. This one-sided system prevents our servicemembers from enforcing the rights guaranteed to them by SCRA.

These bills, H.R. 4068 and S. 1999, would eliminate forced arbitration in disputes covered by SCRA, putting control back in the hands of the servicemembers by giving him or her options of how to defend their rights. It also gives the servicemembers the ability to bring class action against those who violate their rights as defined by SCRA. The SCRA Rights Protection Act of 2014 is a great piece of legislation that seeks to give servicemembers back the rights they were originally granted when it became law in 2003. Passage of this legislation, stand alone or within the Fiscal Year 2015 (FY15) National Defense Authorization Act (NDAA), would ensure that all rights of servicemembers are being protected and that the men and women who serve our country give proper focus to their duty of defending our nation without the unnecessary stress associated with dishonest financial schemes and forced arbitration back home.

Take Action: Click the “Take Action” link at the top of the Alert to immediately email and/or write to your Senators and Representatives. This is the quickest and most effective method of expressing your views to Congress. You can also write and/or e-mail the ‘Details’ section or edit as you desire for a more personalized communication . Also, contact friends and family and urge them to use the Contact Congress feature on AUSN’s website as well. Please direct any questions concerning this issue to our Director of Legislation, Anthony Wallis, at 703-548-5800 or at Anthony.Wallis@ausn.org.