

109TH CONGRESS
2^D SESSION

H. R. 4984

To amend the Servicemembers Civil Relief Act to enhance the protection of credit ratings of active duty military personnel who are activated for military service.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2006

Mr. BRADY of Pennsylvania introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To amend the Servicemembers Civil Relief Act to enhance the protection of credit ratings of active duty military personnel who are activated for military service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Heroes Credit
5 Protection Act”.

6 **SEC. 2. PROTECTION OF CREDIT RATINGS OF PERSONS AC-**
7 **TIVATED FOR MILITARY SERVICE.**

8 (a) CREDIT RATING PROTECTION.—

1 (1) IN GENERAL.—The Servicemembers Civil
2 Relief Act (50 U.S.C. App. 501 et seq.) is amended
3 by inserting at the end of title I the following new
4 section:

5 **“SEC. 110. PROTECTION OF CREDIT RATINGS OF PERSONS**
6 **ACTIVATED FOR MILITARY SERVICE.**

7 “(a) REQUIREMENTS OF NOTATION OF DELINQUENT
8 OR SLOW PAYMENT DUE TO MILITARY SERVICE.—Any
9 person or entity engaged in the practice of assembling or
10 evaluating consumer credit information that receives from
11 a creditor a negative report of nonpayment or late pay-
12 ment with respect to a qualifying account of a person in
13 military service shall enter with that negative report a no-
14 tation that the account is delinquent or paid slowly due
15 to military service.

16 “(b) NEGATIVE INFORMATION TO BE DIS-
17 REGARDED.—Any future potential creditor of such person
18 who receives a credit report that includes a notation re-
19 quired by subsection (a) shall disregard any negative in-
20 formation so noted in the credit report.

21 “(c) QUALIFYING ACCOUNTS.—For purposes of this
22 section, a qualifying account is an account that was
23 opened by a person in military service before the date on
24 which that person entered that period of military service,

1 but only with respect to obligations incurred before such
2 date.”.

3 (2) CLERICAL AMENDMENT.—The table of con-
4 tents in section 1(b) of such Act is amended by in-
5 serting after the item relating to section 109 the fol-
6 lowing new item:

“Sec. 110. Protection of credit ratings of persons activated for military serv-
ice”.

7 (b) EFFECTIVE DATE.—Section 110 of the
8 Servicemembers Civil Relief Act, as added by subsection
9 (a), shall apply with respect to a period of military service
10 (as defined in such Act) that is being performed by a per-
11 son on the date of the enactment of this Act or to which
12 a person is ordered on or after such date.

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