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October 25, 2001

BULLETIN NO. 2001-15

TO: ALL HOLDERS AND SERVICERS

**SUBJ: SOLDIERS' AND SAILORS' CIVIL RELIEF ACT OF 1940,
AS AMENDED**

The President has authorized the call to active military duty of as many as 50,000 National Guard and Reservists. VA is concerned that some of those called to active duty may encounter financial difficulties, similar to the many other home loan borrowers who have been affected by the tragic events of September 11, 2001. We previously requested your careful consideration of forbearance for those affected by the attacks, and would expect similar consideration for National Guard and Reservists. However, those veterans may also qualify for the special forbearance provisions of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended. VA recently issued a circular providing guidance on that Act, and this letter tells about that circular and how you may obtain the information. It also provides guidance on local concerns about relief for active military members.

VBA Circular 26-01-10

On September 26, 2001, the Director of VA's Loan Guaranty Service issued a circular providing extensive guidance on the Soldiers and Sailors' Civil Relief Act of 1940, as amended. VA is not given any special authority to enforce the Act, but is very interested in ensuring that loan holders are aware of the Act and the special protections it affords our nation's veterans on active duty.

Loan Guaranty Website

An extract of the above referenced circular may be found on the VA Loan Guaranty website at www.homeloans.va.gov on the Lenders and Servicers page by clicking on the "What's New" button. Servicers should frequently check this page as we attempt to distribute more information via the internet.

Additional Local Concerns

While the Soldiers' and Sailors' Civil Relief Act of 1940 may add certain requirements to all foreclosure proceedings, we are also concerned about local requirements in our jurisdiction that may provide similar or more extensive relief. After checking with our Regional Counsels we are pleased to provide the following guidance on the States in our jurisdiction.

1. If the veteran must enforce the federal or state acts, the veteran is entitled to reimbursement of all litigation costs, including attorney fees, La. Rev. Stat. Ann. 29:423.
2. Any matter brought before a Louisiana court under the federal or state acts is to be considered before other matters on the court's docket, La. Rev. Stat. Ann. 29:421-422.

Questions and Comments

Please E-mail questions and comments concerning this bulletin to LGYHGALE@VBA.VA.GOV.

Rescission

This bulletin rescinds April 1, 2003.

A black rectangular box containing a white, handwritten signature in cursive script, which appears to be 'F. M. McREAKEN'.

F. M. McREAKEN
Loan Guaranty Officer