

Angela learns about the Servicemembers Civil Relief Act

Students experience an interactive adventure and answer questions about the Servicemembers Civil Relief Act (SCRA).

Learning goals

Big idea

The Servicemembers Civil Relief Act (SCRA) provides potential benefits to servicemembers.

Essential questions

- What is the SCRA?
- What protections does the SCRA provide?

Objectives


- Understand the benefits of the SCRA
- Recognize when and how to use SCRA protections

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:

 Financial knowledge and decision-making skills

Grade level: High school (11-12)

Age range: 16-19

Topic: Spend (Buying things), Borrow (Getting loans, Managing credit)

School subject: JROTC/ROTC (Servicemembers)

Teaching strategy: Blended learning, Cooperative learning

Bloom's Taxonomy level: Remember, Understand, Apply

Activity duration: 75-90 minutes

National Standards for Personal Financial Education, 2021

Earning income: 12-1

Spending: 12-6, 12-8

Managing credit: 12-9, 12-12

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

ABOUT

Misadventures in MONEY MANAGEMENT

PRESENTED BY THE CONSUMER FINANCIAL PROTECTION BUREAU

Misadventures in Money Management (MiMM) educates, advises, and trains future and current servicemembers and their families on critical financial decisions and consumer rights. The program is available for use by all of the U.S. Armed Forces. MiMM follows the stories of seven servicemembers, each covering a different financial topic:

- Angela - Debit, credit & credit scores
- Cruz - Car buying tactics
- Dirk - Smart spending
- James - Impulse purchases
- Miya - Budgeting, saving & investing
- Sonya - Emergency relief & researching
- Xavier - Debt advice & student loans

MiMM focuses on some of the unique problems and solutions that servicemembers experience.

What students will do

- Complete an online, interactive adventure either independently or as part of a group.
- Read a handout about the SCRA.
- Match scenarios to a specific SCRA protection and answer questions about SCRA benefits.

Preparing for this activity

- ☐ While it's not necessary, completing the "Making spending decisions" activity first may make this one more meaningful.
- ☐ Print copies of all student materials for each student, or prepare for students to access them electronically.
- ☐ Become familiar with the MiMM online graphic novel at <https://mimm.gov/>.
- ☐ Review Angela's MiMM adventure. If time permits, it may be helpful for you to complete Angela's MiMM adventure on your own before class.

TIP

If your students have access to computers or tablets with Internet access, they can also complete the adventure as homework. Direct them to <https://mimm.gov/>, where they can complete the entire program, get a certificate of completion, and email their unique certificate to you or print it out. Students can only get a certificate for completing the entire program, not when they finish each character's story.

- Note that while Angela's MiMM adventure covers different scenarios, this activity mainly focuses on the scenario where she learns about the SCRA.
- Decide if you want students to complete Angela's MiMM adventure as a whole class, in small groups, or individually.
 - If you choose to complete the adventure as a whole class, obtain a computer with Internet access, a projector or smartboard, and speakers.
 - If you choose for students to complete the adventure in small groups or individually, provide them with computers or tablets with Internet access and with headphones to manage the noise.

What you'll need

THIS TEACHER GUIDE

- **Angela learns about the Servicemembers Civil Relief Act (guide)**
[cfpb_building_block_activities_MiMM_angela-Servicemembers-Civil-Relief-Act_guide.pdf](#)
- A computer with Internet access, a projector or smartboard, and speakers (if you choose to complete the online portion as a whole class)

STUDENT MATERIALS

- **Angela learns about the Servicemembers Civil Relief Act (worksheet)**
[cfpb_building_block_activities_MiMM_angela-Servicemembers-Civil-Relief-Act_worksheet.pdf](#)
- **The Servicemembers Civil Relief Act (SCRA) (handout)**
[cfpb_servicemembers-civil-relief-act_factsheet.pdf](#)
- Computers or tablets with Internet access and headphones (if you choose for students to complete the online portion in small groups or individually)

Exploring key financial concepts

SCRA stands for the Servicemembers Civil Relief Act. It offers active servicemembers protections like delaying court proceedings and terminating leases and telephone contracts. Different protections will have their own set of requirements. For example, the SCRA allows some servicemembers to reduce interest rates on eligible loans and credit cards down to 6%. However, this law only covers debt acquired prior to military service.

TIP

Because financial products, terms, and laws change, students should be encouraged to always look for the most up-to-date information.

Anyone who has a power of attorney for a servicemember can act on the servicemember's behalf to claim their rights under the SCRA. Some SCRA protections also apply to dependents. The SCRA provides many legal and financial protections to help servicemembers to focus on their mission and worry less about what is happening at home.

Teaching this activity

Whole-class introduction

- Introduce the Misadventures in Money Management (MiMM) program if students aren't familiar with it.
 - MiMM is an online graphic novel in which students make decisions for the characters as they move through the story. CFPB created the program to educate, advise, and train current and future servicemembers on critical financial decisions.
 - The program focuses on some of the unique problems and solutions that servicemembers experience.
- Explain to students that they'll explore the MiMM character of Angela.
 - Angela is an active duty servicemember who is trying to build her credit and reduce debt.
 - Angela has to move because she has been relocated and she needs to break her lease, so she needs to learn about the SCRA and laws in place to help her.
- Ask students to share examples of financial trouble people might experience.
 - Examples include having too much credit card debt; not being able to pay car loans; being behind on a rent or mortgage payment; being late paying your cell phone bill, credit card, or other loan payments; or not being able to pay child support.
- Read the "Exploring key financial concepts" section to students.
- Be sure students understand key vocabulary:
 - **Credit:** Borrowing money, or having the right to borrow money, to buy something. Usually it means you're using a credit card, but it might also mean that you got a loan.
 - **Credit card:** An open-ended loan that allows you to borrow money up to a certain limit and carry over an unpaid balance from month to month. There is no fixed time to repay the loan as long as you make the minimum payment due each month. You pay interest on any outstanding credit card loan balance.

- **Interest rate:** A percentage of a sum borrowed that is charged by a lender or merchant for letting you use its money. A bank or credit union may also pay you an interest rate if you deposit money in certain types of accounts.
- **Lender:** An organization or person that lends money with the expectation that it will be repaid, generally with interest.
- **Loan:** Money that needs to be repaid by the borrower, generally with interest.
- **Mortgage:** Mortgage loans are used to buy a home or to borrow money against the value of a home you already own.

TIP

Visit CFPB's financial education glossary at consumerfinance.gov/financial-education-glossary/.

Individual or group work

Completing the online, interactive adventure at <https://mimm.gov/>

- Click "Explore a topic" and then "Debit, credit & credit scores" to access Angela's adventure.
- Explain that while Angela's adventure covers different scenarios, this activity mainly focuses on the scenario where she learns about the SCRA while trying to break her current lease.
- Students can complete Angela's adventure as a whole class, in small groups, or individually.

If you choose to complete it as a whole class:

- Use the decision points in Angela's story to spark discussions and decide as a class what choice to make.
- Help students build their understanding by reviewing the additional information that comes up throughout the adventure.

If students work in small groups or individually:

- Move among the students to check on the decisions they're making and what they're learning from their choices.
- Encourage students to pause at each decision point and reflect on what happened to Angela as a result of that choice.
- Help students build their understanding by encouraging them to click on the suggested resources and additional information that come up throughout the adventure. The suggested resources help students gather additional information to complete each character's final challenge.

Completing the worksheet

- When students have completed the interactive adventure, assign students to smaller groups (or have them stay in their small groups).
- Distribute the “Angela learns about the Servicemembers Civil Relief Act” worksheet and “The Servicemembers Civil Relief Act (SCRA)” handout to each student.
- Have students work together on the worksheet scenarios and “Digging deeper” questions.

Wrap-up

- Bring the class back together.
- Ask a representative from each group to share their answers, and tell students to listen to the other groups’ answers and add notes as to their own answers as needed.
 - Consider asking additional questions to extend the discussion. Possible questions include: Why do you think residential leases are included in SCRA protections?
 - Answers may include: to allow servicemembers to focus on their mission without worrying about things back home or because their orders may require them to move before a lease is up; the SCRA allows them to avoid financial penalties or damage to their credit score due to breaking their lease.
 - You may also consider having the class read the “Before waiving your SCRA rights, always consult with a qualified attorney” section in the “Consumer advisory: Know your rights under the Servicemembers Civil Relief Act (SCRA)” resource. You may ask students to review the paragraph on their own or ask for volunteers to read parts of the section out loud. After students have reviewed the section, ask them what difficulties a servicemember may face if they waive (or sign a document saying they will not claim) SCRA rights when leasing a home. Answers may include:
 - Waivers allow landlords to obtain a quick default judgment against a servicemember who is out of the area for official reasons. This means a landlord can ask a court to decide in the landlord’s favor, for instance in an eviction case, because the servicemember does not appear in court. This may have financial and legal consequences and can negatively impact a servicemember’s credit history, which can prevent a servicemember from receiving a promotion or clearance.

Suggested next steps

Consider searching for other CFPB activities that address the topics of spending, including buying things, or borrowing, including getting loans and managing credit. Suggested activities include “Sonya gives advice on large purchases” and “Cruz buys a car.”

Measuring student learning

Students’ answers on their worksheets and during discussion can give you a sense of their understanding.

This answer guide provides possible answers to the “Angela learns about the Servicemembers Civil Relief Act” worksheet. **Keep in mind that students’ answers may vary.** The important thing is for students to have reasonable justification for their answers.

Answer guide

Scenario	Protection number
You are unable to make your mortgage payments and receive a notice from your lender that they plan to foreclose on your home. You took out your mortgage before you entered active duty service and are worried that you won’t be able to repay the loan while on active duty.	Number 3
You’ve just signed a 12-month lease on an apartment when you receive deployment orders for six months. You don’t want to make payments on an empty apartment for six months.	Number 5
You paid for college using private loans that have an 8% annual percentage rate (APR). You just became an active duty servicemember and wonder if there’s any way to reduce your interest payment.	Number 1
While deployed you receive notice that you’re being named in a civil suit by a former neighbor. You worry that the court will rule in favor of the person suing you since you will be unable to appear in court while you are deployed and do not have an attorney to represent you.	Number 2
You leased a car before entering active duty service and have not been able to make payments for the last two months. You’re worried that your car will be repossessed.	Number 4

Digging deeper

1. What protections does the Servicemembers Civil Relief Act (SCRA) provide?
Why are these protections offered to active servicemembers?

The SCRA provides legal and financial protections to active duty servicemembers. These include limits on pre-service loan interest rates, some protections against default judgments, some protections against home foreclosure, some protections against property repossession, and some rights to terminate housing and automobile leases.

SCRA protections are intended to allow active duty servicemembers to fulfill their responsibilities during military or uniformed service and devote their energy to the United States' defense needs.

2. What steps should servicemembers take to end residential or automobile leases under the SCRA?

Servicemembers or someone exercising a power of attorney on their behalf should submit to their landlord or dealership a written notice of termination and a copy of their orders or a letter from their commanding officer. These documents may be delivered by hand, private carrier, or regular mail with return receipt requested.

3. What must you have done in order to be protected against repossession of your vehicle while on active duty service?

Servicemembers must have purchased or leased their vehicle or other personal property before entering active duty service and made a deposit or installment payment on a vehicle or other personal property before entering active duty service.

4. What are some of the consequences if you do not make payments due on your vehicles or personal property as an active duty servicemember, even if you are protected by the SCRA?

If you do not make outstanding payments, you may violate your contract and may be charged associated fees, such as late fees. You may also be reported to credit reporting companies, and the creditor may file a lawsuit or take other steps to collect your debt.

5. What can you do if you believe your SCRA rights have been violated?

Contact your closest military legal office by searching at legalassistance.law.af.mil.