

# HOUSE RESEARCH

## Bill Summary

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**Version:** As Introduced

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**Subject:** Veterans – Business Stay of Proceedings

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### Overview

This bill provides a stay of proceedings for the businesses of Minnesota residents who, as National Guard or other military reserve members, have been mobilized into any type of active military service for 60 or more consecutive days.

#### Section

##### **1 Subdivision 1. Definitions.**

*“Active service”* is broadly defined to include the full range of: federal active service; federally-funded state active service; and state active service; provided that the military order is for 60 or more days of continuous active duty.

*“Business”* is broadly defined to include any sole proprietorship, corporation, limited liability company, partnership, limited partnership, or other type of business entity, which is wholly-owned by a qualified service member or jointly by the member and the member’s spouse.

*“Qualified service member”* requires that the member be a member of the National Guard or reserves and be serving honorably in active military service for 60 or more consecutive days.

## **Section**

**Subd. 2. Protection provided.** Provides that the business of a qualified service member may be exempted from civil court proceedings for all or part of the member's period of active military service and for 60 days thereafter. The court *may* provide such exemption at its own initiative, but *must* provide such exemption upon petition by the member or member's representative (with certain supporting information).

Provides that the member's communication with the court does not constitute an appearance for jurisdictional purposes, nor is a waiver.

Provides that a stay is for a minimum of 60 days, where the court may, but is not required to, grant any additional stays.

Provides that if the court grants a default judgment in a civil action against the business of a qualified service member during the member's active military service or within 60 days thereafter, then the court must reopen the judgment upon application by the member.

**Effective date.** July 1, 2008 , and applies to civil court actions pending or initiated on or after that date.