
Judiciary Committee

HB 2171

Title: An act relating to strengthening economic protections for veterans and military personnel.

Brief Description: Strengthening economic protections for veterans and military personnel.

Sponsors: Representatives Orwall, Johnson, Tarleton, Ross, Nealey, Hayes, Sullivan, Farrell, Kirby, Hansen, Chandler, Green, Shea, Moscoso, Parker, Smith, Magendanz, Klippert and Rodne; by request of Governor Inslee and Attorney General.

Brief Summary of Bill

- Amends the Washington Service Members' Civil Relief Act (WSCRA) to authorize a private right of action, or an action by the Attorney General, to enforce the provisions of the WSCRA.
- Provides that the federal Service Members Civil Relief Act applies in proper cases in Washington courts, and a violation of the federal act is a violation of the WSCRA.

Hearing Date: 1/14/14

Staff: Edie Adams (786-7180).

Background:

The Washington Service Members' Civil Relief Act (WSCRA) was enacted in 2005. The WSCRA contains certain rights for service members and their dependents whose financial and legal obligations may be impacted by active military duty. The main provisions of the WSCRA provide rights to a service member and dependents with respect to default judgments and stays in civil proceedings. The WSCRA also contains provisions restricting contract fines and penalties, restructuring interest rates on certain business loans, and tolling statutes of limitations during military service periods.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The WSCRA applies to Washington residents who are members of the National Guard or a military reserve component and who are under a call to active service for a period of more than 30 days. The WSCRA also applies to certain dependents of covered service members.

The WSCRA was modeled on the portions of the federal Servicemembers' Civil Relief Act (SCRA) relating to default judgments and stays of civil proceedings. The SCRA contains a number of other rights for service members, including reducing interest rate obligations on pre-service loans to 6 percent, and protecting service members from evictions and property foreclosures, cancellation of life insurance, and losing certain rights to public land.

Congress amended the SCRA in the Veterans' Benefits Act of 2010 (VBA) to include an enforcement mechanism through either a private right of action or an action by the U.S. Attorney General. Under the VBA amendments, a person covered by the SCRA may bring a private civil action for a violation of the SCRA, and remedies may include equitable or declaratory relief, damages, and costs and reasonable attorneys' fees. In addition, the U.S. Attorney General is authorized to bring an action to enforce the SCRA against a person who engages in a pattern or practice of violating the SCRA or engages in a violation that raises an issue of significant public importance. Remedies may include equitable or declaratory relief, damages, and civil penalties of up to \$55,000 for a first violation and up to \$110,000 for subsequent violations.

Summary of Bill:

The WSCRA is amended to provide that the federal SCRA applies in proper cases in all Washington courts, and a violation of the SCRA is a violation of the WSCRA.

A service member or dependent may bring a civil action for a violation of the WSCRA to obtain equitable or declaratory relief, monetary damages, and other appropriate relief. In addition, the court may award the costs of the action and reasonable attorneys' fees to a service member or dependent who prevails in the action.

The Washington Attorney General is authorized to bring a civil action to enforce the WSCRA against a person that engages in a pattern or practice of violating the WSCRA or engages in a violation that raises an issue of significant public purpose. The court may grant equitable or declaratory relief, monetary damages, and other appropriate relief. In addition, the court may assess a civil penalty of up to \$55,000 for a first violation, and up to \$110,000 for subsequent violations.

A reference to the federal Soldiers' and Sailors' Civil Relief Act of 1940 in state law regarding employment and reemployment rights of persons serving in the uniformed services is revised to instead reference the federal Uniformed Services Employment and Reemployment Rights Act (USERRA). The USERRA is declared to apply in proper cases in all Washington courts.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.