HOUSE BILL No. 2297

By Committee on Veterans, Military and Homeland Security

2-11

AN ACT concerning service members; relating to civil relief in foreclosure proceedings.

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Be it enacted by the Legislature of the State of Kansas:

Section 1. For the purposes of this section:

- (a) "Dependent" means:
- (1) The service member's spouse;
- (2) the service member's minor child; or
- (3) an individual for whom the service member provided more than ½ of the individual's support for 180 days immediately preceding an application for relief under this act.
- (b) "Military service" means a service member under a call to active service authorized by the president of the United States or the secretary of defense for a period of more than 30 consecutive days.
- (c) "National guard" means that part of the military force of the state that is organized, equipped and federally recognized under the provisions of the national defense act of the United States.
- (d) "Service member" means any resident of the state of Kansas that is a member of the national guard or member of a military reserve component.
- (e) "Uniformed services" means the armed forces of the United States as defined by 10 U.S.C. § 101(a)(4), including reserved components of the armed forces, the army national guard and the air national guard, the commissioned corps of the public health service, and any other category of persons designated by the president in time of war or emergency.
- Sec. 2. (a) This section applies to any civil action or proceeding in which a service member or the service member's dependent is a defendant and does not make an appearance under applicable court rules or by law.
- (b) In any civil action for foreclosure, the court, before entering judgment for the plaintiff, shall require the plaintiff to file with the court an affidavit:
- (1) Stating whether the defendant is in military service, or is a dependent of a service member in military service, and showing necessary facts to support the affidavit; or

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(2) if the plaintiff is unable to determine whether the defendant is in military service, or is a dependent of a service member in military service, stating that the plaintiff is unable to determine whether the defendant is in military service or is a dependent of a service member in military service.

(c) (1) To determine whether or not a defendant is a dependent of a service member in military service, the plaintiff may serve on or mail via first-class mail to the defendant a written notice in substantially the following form:

"NOTICE: State and federal laws provide protections to defendants who are service members on active duty in the military and to their dependents. Dependents of a service member include the service member's spouse, minor child and individuals for whom the service member provided more than ½ of the individual's support for 180 days immediately preceding an application for relief. One protection provided is the protection against the entry of a default judgment in foreclosure proceedings. If you are the dependent of a service member under a call to active service for a period of more than 30 consecutive days, you should notify the plaintiff or the plaintiff's attorney(s) in writing of your status as such within 20 days of receipt of this notice. If you fail to do so, then a court may presume that you are not a dependent of a service member under a call to active service and proceed with the entry of an order of default judgment without further proof of your status. Your response to the plaintiff or plaintiff's attorney(s) about your status does not constitute an appearance for jurisdictional purposes in any pending litigation nor a waiver of your rights."

- (2) If the notice is either served on the defendant 20 or more days prior to an application for an order of default or a default judgment or mailed to the defendant more than 23 days prior to such application, and the defendant fails to timely respond, then for purposes of entry of an order of default or default judgment, the court or administrative officer may presume that the defendant is not a dependent of a person in military service under this act.
- (3) Nothing prohibits the plaintiff from allowing a defendant more than 20 days to respond to the notice, or from amending the notice to so provide.
- (d) If in an action covered by this section it appears that the defendant is in military service or is a dependent of a service member in military service, the court may not enter a judgment until after the court appoints an attorney to represent the defendant. If an attorney appointed under this section to represent a service member or a service member's dependent cannot locate the service member or dependent, actions by the

attorney in the case do not waive any defense of the service member or dependent or otherwise bind the service member or dependent.

- (e) In a civil action for foreclosure in which the defendant is in military service or is a dependent of a service member in military service, the court shall grant a stay of proceedings until 180 days after termination of or release from military service, upon application of defense counsel or on the court's own motion, if the court determines that:
- (1) There may be a defense to the action, and a defense cannot be presented without presence of the defendant; or
- (2) after due diligence, counsel has been unable to contact the defendant or otherwise determine if a meritorious defense exists. The defendant's failure to communicate or cooperate with counsel after having been contacted is not grounds to find that counsel has been unable to contact the defendant or that counsel has been unable to determine if a meritorious defense exists.
- (f) If a service member or dependent who is a defendant in an action covered by this section receives actual notice of the action, the service member or dependent may request a stay of proceedings under section 6 of this act, and amendments thereto.
- (g) A person who makes or uses an affidavit permitted under this section knowing it to be false, is guilty of a severity level 10 nonperson felony.
- (h) If a default judgment is entered in an action covered by this section against a service member or the service member's dependent during the service member's period of military service or within 180 days after the termination of or release from military service, the court entering the judgment, upon application by or on behalf of the service member or the service member's dependent, shall reopen the judgment for the purpose of allowing the service member or the service member's dependent to defend the action if it appears that:
- (1) The service member or dependent was materially affected by reason of that military service in making a defense to the action; and
- (2) the service member or dependent has a meritorious or legal defense to the action or some part thereof.
- (i) If a court vacates, sets aside or reverses a default judgment against a service member or the service member's dependent, and the vacating, setting aside or reversing is because of a provision of this act, that action does not impair a right or title acquired by a bona fide purchaser for value.
- Sec. 3. (a) This section applies to any civil action for foreclosure in which a defendant at the time of filing an application under this section:
 - (1) (A) Is in military service, or it is within 180 days after

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termination of or release from military service; or

- (B) is a dependent of a service member in military service; and
- (2) has received actual notice of the action or proceeding.
- (b) At any stage before final judgment in a foreclosure proceeding in which a service member or the service member's dependent described in subsection (a) is a party, the court may on its own motion and, upon application by the service member or the service member's dependent, shall stay the action until 180 days after termination of or release from military service, if the conditions in subsection (c) are met.
- (c) An application for a stay under subsection (b) shall include the following:
- (1) A letter or other communication setting forth facts stating the manner in which current military duty requirements materially affect the service member's or dependent's ability to appear and stating a date when the service member or dependent will be available to appear; and
- (2) a letter or other communication from the service member's commanding officer stating that the service member's current military duty prevents either the service member's or dependent's appearance and that military leave is not authorized for the service member at the time of the letter.
- (d) An application for a stay under this section does not constitute an appearance for jurisdictional purposes and does not constitute a waiver of any substantive or procedural defense, including a defense relating to lack of personal jurisdiction.
- (e) If the court refuses to grant a stay of proceedings under subsection (b), the court shall appoint counsel to represent the service member or the service member's dependent in the action or proceeding.
- Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.