

Hundredth Legislature - Second Session - 2008 Introducer's Statement of Intent LB 832

Chairperson: Brad Ashford Committee: Judiciary

Date of Hearing: February 22, 2008

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Increase in international trade has meant more litigation in the interstate context. This means more judgments to be enforced from country to country. There is a strong need for uniformity between states with respect to the law governing foreign country money-judgments. If foreign country judgments are not enforced appropriately and uniformly, it may make enforcement of the judgments of American courts more difficult in foreign country courts. To meet the increased needs for enforcement of foreign country money-judgments, the Uniform Law Commissioners promulgated a uniform act in 1962 and a revision of the 1962 uniform act with the 2005 Uniform Foreign-Country Money Judgments Recognition Act (UFCMJRA). Nebraska has not adopted the 1962 version. LB 832 is the revised and updated 2005 version.

The first step towards enforcement is recognition of the foreign country judgment. The recognition occurs in a state court when an appropriate action is filed for the purpose. If the judgment meets the statutory standards, the state court will recognize it. It then may be enforced as if it is a judgment of another state of the United States. Enforcement may then proceed, which means the judgment creditor may proceed against the property of the judgment debtor to satisfy the judgment amount.

First, it must be shown that the judgment is conclusive, final and enforceable in the country of origin. Certain money judgments are excluded, such as judgments on taxes, fines or criminal-like penalties and judgments relating to domestic relations. Domestic relations judgments are enforced under other statutes, already existing in every state. A foreign-country judgment must not be recognized if it comes from a court system that is not impartial or that dishonors due process, or there is no personal jurisdiction over the defendant or over the subject matter of the litigation. There are a number of grounds that may make a U.S. court deny recognition, i.e., the defendant did not receive notice of the proceeding or the claim is repugnant to American public policy. A final, conclusive judgment enforceable in the country of origin, if it is not excluded for one of the enumerated reasons, must be recognized and enforced. The 1962 Act and the 2005 Act generally operate the same.

Principal Introducer:	
	Senator Steve Lathrop