



Senate

General Assembly

File No. 193

February Session, 2006

Substitute Senate Bill No. 314

Senate, March 29, 2006

The Committee on Labor and Public Employees reported through SEN. PRAGUE of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT EXTENDING FEDERAL PROTECTIONS TO STATE SERVICE MEMBERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2006*) Any member of the
2 Connecticut National Guard whom the Governor orders into active
3 state service shall have all of the protections afforded to service
4 members on federal active service by the Uniformed Services
5 Employment and Reemployment Rights Act, 38 USC Sections 4301 to
6 4333, inclusive, and by the Servicemembers Civil Relief Act, except for
7 the provisions of 50 USC App, Sections 536 and 541 to 549, inclusive,
8 pertaining to life insurance, as amended.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2006</i>	New section
-----------	------------------------	-------------

VA *Joint Favorable Subst. C/R*

LAB

LAB *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

This bill stipulates that any member of the Connecticut National Guard who is ordered into service by the Governor shall have the same protections as the members of the federal active service covered under the Servicemembers Civil Relief Act. These protections will have no fiscal impact to the state.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sSB 314*****AN ACT EXTENDING FEDERAL PROTECTIONS TO STATE SERVICE MEMBERS.*****SUMMARY:**

This bill gives to National Guard members whom the governor orders into state active service (e.g., riot control and disaster response) the same protections two federal laws give to service members in federal active service, except those pertaining to life insurance. The laws are the Uniformed Services Employment and Reemployment Rights Act (USERRA) and Servicemembers Civil Relief Act (SCRA).

USERRA provides reemployment rights and protections for members returning from serving in the armed forces. SCRA provides rights and protections to people in active-duty service. It addresses such issues as interest rates, rental and lease agreements, eviction, health and life insurance, mortgage foreclosure, civil judicial proceedings, and income tax payments.

EFFECTIVE DATE: October 1, 2006

BACKGROUND***USERRA***

USERRA protects reemployment rights of service members' returning from serving in the uniformed services and prohibits employers from discriminating against them based on their military service or obligation (38 USC §§ 4301-4333). USERRA covers nearly all employees, including part-time and probationary employees, and nearly all civilian employers, regardless of size, including the federal, state, and local governments, and private employers.

Pre-service employers must reemploy service members returning

from a period of service in the uniformed services if the members meet specified criteria. USERRA supersedes state laws providing lesser rights or imposing additional eligibility criteria, but states may provide greater rights and protections.

SCRA

SCRA gives specific rights and legal protections to people in military service—active-duty military personnel and reservists and guard members while in active-duty service under Title 10 of federal law. The act also applies to guard members called to active service for more than 30 consecutive days under Title 32 to respond to a national emergency declared by the president and supported by federal funds. In limited situations, it also applies to dependents of eligible personnel (50 App. USC §§ 501-596).

Among other things, SCRA:

1. allows service members who are parties in civil lawsuits (such as paternity and child custody suits) to request a stay if their military service precludes their attendance in court (50 App. USC § 522);
2. protects service members on active-duty from default judgments if they fail to appear at trial or respond to a lawsuit because of their military service (§ 521);
3. caps interest rates on “pre-service” debts at 6% for the duration of the service member’s period of military service (§ 521);
4. prevents landlords from evicting service members on active duty for nonpayment of rents below a certain threshold, except by court order (§ 531);
5. allows service members to unilaterally terminate pre-service lease contracts following specified procedures (§ 535);
6. prohibits sale of goods placed in storage either before a military service call or during a period of active service for unpaid

- charges, except by court order (§ 537);
7. prohibits sellers from repossessing, reclaiming, or foreclosing on property that a service member contracted to buy under a pre-service contract, except by court order (§ 532);
 8. authorizes the court to stay proceedings or adjust obligations in the case of claims filed to enforce mortgage or trust deed payments (§ 533);
 9. with exceptions, bars assignee's of life insurance policies from exercising, without a court order, pre-service assignment rights or options against a member while in service (§ 536);
 10. protects a service member's life insurance from lapse because of nonpayment of premiums, among other related protections (§ 541);
 11. provides for reinstatement of any health insurance in effect on the day before active military service commenced, without waiting period and physical restrictions (§ 594);
 12. allows service members who have pre-service professional liability insurance policies to suspend premiums and coverage during the period of military service (§ 593);
 13. allows service members on active duty to defer income tax payments for up to six months after discharge if ability to pay is impaired by military service and clarifies other tax issues (§ 570);
 14. prohibits the use of personal assets to satisfy business obligations even though the service member may be personally liable (§ 596); and
 15. prohibits both creditors and insurers from pursuing adverse actions (e.g., notifying credit agencies, denying credit, changing terms) against service members solely because they exercise SCRA rights (§ 518).

The law includes criminal sanctions for some violations.

COMMITTEE ACTION

Select Committee on Veterans' Affairs

Joint Favorable Substitute Change of Reference

Yea 11 Nay 0 (03/07/2006)

Labor and Public Employees Committee

Joint Favorable

Yea 13 Nay 0 (03/14/2006)