

## Assembly Bill No. 2455

### CHAPTER 124

An act to amend Sections 800 and 811 of the Military and Veterans Code, relating to military benefits.

[Approved by Governor July 19, 2010. Filed with  
Secretary of State July 19, 2010.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 2455, Nava. Military service: benefits.

Existing law authorizes members of the United States Military Reserve and National Guard who are called to active duty as a result of the Iraq or Afghanistan conflicts to defer payments on specified obligations for the period of active duty, as specified, including up to 2 loans subject to the Automobile Sales Finance Act.

This bill would instead authorize members to defer payment on up to 2 loans on vehicles, as defined. This bill would also provide that a spouse or legal dependent, or both, of a member is entitled to the deferral of payment benefits accorded to a member, if the member is eligible for those benefits.

*The people of the State of California do enact as follows:*

SECTION 1. Section 800 of the Military and Veterans Code is amended to read:

800. (a) Subject to subdivision (b), in addition to any other benefits provided by law and to the extent permitted by federal law, any member of the United States Military Reserve or the National Guard of this state who is called to active duty after the enactment of this chapter as a part of the Iraq and Afghanistan conflicts may defer payments on any of the following obligations while serving on active duty:

- (1) An obligation secured by a mortgage or deed of trust.
- (2) Credit card as defined in Section 1747.02 of the Civil Code.
- (3) Retail installment contract as defined in Section 1802.6 of the Civil Code.
- (4) Retail installment account, installment account, or revolving account as defined in Section 1802.7 of the Civil Code.
- (5) Up to two vehicle loans. For purposes of this chapter, "vehicle" means a vehicle as defined in Section 670 of the Vehicle Code.
- (6) Any payment of property tax or any special assessment of in-lieu property tax imposed on real property which is assessed on residential property owned by the reservist and used as that reservist's primary place of residence on the date the reservist was ordered to active duty.

(b) In order for an obligation or liability of a reservist to be subject to the provisions of this chapter, the reservist or the reservist's designee shall deliver to the lender:

(1) A letter signed by the reservist, under penalty of perjury, requesting a deferment of financial obligations.

(2) If required by a financial institution, proof that the reservist's employer does not provide continuing income to the reservist while the reservist is on active military duty, including the reservist's military pay, of more than 90 percent of the reservist's monthly salary and wage income earned before the call to active duty.

(c) Upon request of the reservist or the reservist's dependent or designee and within five working days of that request, if applicable, the employer of a reservist shall furnish the letter or other comparable evidence showing that the employer's compensation policy does not provide continuing income to the reservist, including the reservist's military pay, of more than 90 percent of the reservist's monthly salary and wage income earned before the call to active duty.

(d) The deferral period on financial obligations shall be the lesser of 180 days or the period of active duty plus 60 calendar days and shall apply only to those payments due subsequent to the notice provided to a lender as provided in subdivision (b).

(e) If a lender defers payments on a closed end credit obligation or an open-end credit obligation with a maturity date, pursuant to this chapter, the lender shall extend the term of the obligation by the amount of months the obligation was deferred.

(f) If a lender defers payments on an open-end credit obligation pursuant to this chapter, the lender may restrict the availability of additional credit with respect to that obligation during the term of the deferral.

SEC. 2. Section 811 of the Military and Veterans Code is amended to read:

811. (a) The spouse or legal dependent, or both, of a member of the United States Military Reserve or National Guard of this state who is called to active duty, shall be entitled to the benefits accorded to a member under this chapter, provided that the member is eligible for the benefits.

(b) This chapter applies only to an obligation specified in this chapter that was incurred prior to the date that a member of the United States Military Reserve or National Guard of this state was called to active duty as part of the Iraq and Afghanistan conflicts.