

**Introduced by Senator Nielsen**

February 3, 2015

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An act to amend Section 800 of the Military and Veterans Code, relating to military and veterans.

LEGISLATIVE COUNSEL'S DIGEST

SB 160, as introduced, Nielsen. Military and veterans.

Existing law authorizes specified members of the United States Military Reserve or the National Guard who are called to active duty to defer payments on certain obligations while serving on active duty.

This bill would make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

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

- 1 SECTION 1. Section 800 of the Military and Veterans Code  
2 is amended to read:  
3 800. (a) (1) Subject to subdivision (b), in addition to any other  
4 benefits provided by law and to the extent permitted by federal  
5 law, any member of the United States Military Reserve or the  
6 National Guard of this state who is called to active duty after the  
7 enactment of this chapter and before January 1, 2014, as a part of  
8 the Iraq and Afghanistan conflicts may defer payments on any of  
9 the following obligations while serving on active duty:  
10 (A) An obligation secured by a mortgage or deed of trust.  
11 (B) Credit card, as defined ~~in~~ by Section 1747.02 of the Civil  
12 Code.

- 1 (C) Retail installment contract, as defined ~~in~~ by Section 1802.6
- 2 of the Civil Code.
- 3 (D) Retail installment account, installment account, or revolving
- 4 account, as defined ~~in~~ by Section 1802.7 of the Civil Code.
- 5 (E) Up to two vehicle loans. For purposes of this chapter,
- 6 “vehicle” means a vehicle as defined ~~in~~ by Section 670 of the
- 7 Vehicle Code.
- 8 (F) Any payment of property tax or any special assessment of
- 9 in-lieu property tax imposed on real property that is assessed on
- 10 residential property owned by the reservist and used as that
- 11 reservist’s primary place of residence on the date the reservist was
- 12 ordered to active duty.
- 13 (2) Subject to subdivision (b), in addition to any other benefits
- 14 provided by law and to the extent permitted by federal law, a
- 15 reservist who is called to active duty on and after January 1, 2014,
- 16 may defer payments on any of the following obligations while
- 17 serving on active duty:
- 18 (A) An obligation secured by a mortgage or deed of trust.
- 19 (B) Credit card, as defined ~~in~~ by Section 1747.02 of the Civil
- 20 Code.
- 21 (C) Retail installment contract, as defined ~~in~~ by Section 1802.6
- 22 of the Civil Code.
- 23 (D) Retail installment account, installment account, or revolving
- 24 account, as defined ~~in~~ by Section 1802.7 of the Civil Code.
- 25 (E) Up to two vehicle loans. For purposes of this chapter,
- 26 “vehicle” means a vehicle as defined ~~in~~ by Section 670 of the
- 27 Vehicle Code.
- 28 (F) Any payment of property tax or any special assessment of
- 29 in-lieu property tax imposed on real property that is assessed on
- 30 residential property owned by the reservist and used as that
- 31 reservist’s primary place of residence on the date the reservist was
- 32 ordered to active duty.
- 33 (G) Any obligation owed to a utility company.
- 34 (b) (1) In order for an obligation or liability of a reservist to be
- 35 subject to the provisions of this chapter, the reservist or the
- 36 reservist’s designee shall deliver to the obligor both of the
- 37 following:
- 38 (A) A letter signed by the reservist, under penalty of perjury,
- 39 requesting a deferment of financial obligations.

1 (B) A copy of the reservist's activation or deployment order  
2 and any other information that substantiates the duration of the  
3 service member's military service.

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

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

17 (d) The deferral period on financial obligations shall be the  
18 lesser of 180 days or the period of active duty plus 60 calendar  
19 days and shall apply only to those payments due subsequent to the  
20 notice provided to a lender as provided in subdivision (b). In  
21 addition, the total period of the deferment shall not exceed 180  
22 days within a 365-day period.

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

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

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