

# HOUSE BILL No. 4650

April 24, 2007, Introduced by Reps. Condino, Meadows, Byrnes, Alma Smith, Vagnozzi, Tobocman and Bieda and referred to the Committee on Judiciary.

A bill to revise the standards under which courts of this state recognize foreign money judgments; to establish procedures for the recognition of foreign money judgments; to limit the time within which an action to enforce a foreign money judgment may be commenced; to make uniform the law relating to the enforcement of foreign money judgments; and to repeal acts and parts of acts.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. This act shall be known and may be cited as the  
2 "uniform foreign-country money judgments recognition act".

3       Sec. 2. As used in this act:

4       (a) "Foreign country" means a government other than any of the  
5 following:

6       (i) The United States.

1           (ii) A state, district, commonwealth, territory, or insular  
2 possession of the United States.

3           (iii) Any other government with regard to which the decision in  
4 this state as to whether to recognize a judgment of that  
5 government's courts is initially subject to determination under the  
6 full faith and credit clause of the United States constitution.

7           (b) "Foreign-country judgment" means a judgment of a court of  
8 a foreign country.

9           Sec. 3. (1) Except as otherwise provided in subsection (2),  
10 this act applies to a foreign-country judgment to the extent that  
11 both of the following apply:

12           (a) The judgment grants or denies recovery of a sum of money.

13           (b) Under the law of the foreign country where rendered, the  
14 judgment is final, conclusive, and enforceable.

15           (2) This act does not apply to a foreign-country judgment,  
16 even if the judgment grants or denies recovery of a sum of money,  
17 to the extent that the judgment is any of the following:

18           (a) A judgment for taxes.

19           (b) A fine or other penalty.

20           (c) A judgment for divorce, support, or maintenance or other  
21 judgment rendered in connection with domestic relations.

22           (3) A party seeking recognition of a foreign-country judgment  
23 has the burden of establishing that this act applies to the  
24 foreign-country judgment.

25           Sec. 4. (1) Except as otherwise provided in subsections (2)  
26 and (3), a court of this state shall recognize a foreign-country  
27 judgment to which this act applies.

1           (2) A court of this state shall not recognize a foreign-  
2 country judgment if any of the following apply:

3           (a) The judgment was rendered under a judicial system that  
4 does not provide impartial tribunals or procedures compatible with  
5 the requirements of due process of law.

6           (b) The foreign court did not have personal jurisdiction over  
7 the defendant.

8           (c) The foreign court did not have jurisdiction over the  
9 subject matter.

10          (3) A court of this state need not recognize a foreign-country  
11 judgment if any of the following apply:

12          (a) The defendant in the proceeding in the foreign court did  
13 not receive notice of the proceeding in sufficient time to enable  
14 the defendant to defend.

15          (b) The judgment was obtained by fraud that deprived the  
16 losing party of an adequate opportunity to present its case.

17          (c) The judgment or the cause of action on which the judgment  
18 is based is repugnant to the public policy of this state or of the  
19 United States.

20          (d) The judgment conflicts with another final and conclusive  
21 judgment.

22          (e) The proceeding in the foreign court was contrary to an  
23 agreement between the parties under which the dispute in question  
24 was to be determined otherwise than by proceedings in that foreign  
25 court.

26          (f) If jurisdiction was based only on personal service, the  
27 foreign court was a seriously inconvenient forum for the trial of

1 the action.

2 (g) The judgment was rendered in circumstances that raise  
3 substantial doubt about the integrity of the rendering court with  
4 respect to the judgment.

5 (h) The specific proceeding in the foreign court leading to  
6 the judgment was not compatible with the requirements of due  
7 process of law.

8 (4) A party resisting recognition of a foreign-country  
9 judgment has the burden of establishing that a ground for  
10 nonrecognition stated in subsection (2) or (3) exists.

11 Sec. 5. (1) A foreign-country judgment shall not be refused  
12 recognition for lack of personal jurisdiction if any of the  
13 following apply:

14 (a) The defendant was served with process personally in the  
15 foreign country.

16 (b) The defendant voluntarily appeared in the proceeding,  
17 other than for the purpose of protecting property seized or  
18 threatened with seizure in the proceeding or of contesting the  
19 jurisdiction of the court over the defendant.

20 (c) The defendant, before the commencement of the proceeding,  
21 agreed to submit to the jurisdiction of the foreign court with  
22 respect to the subject matter involved.

23 (d) The defendant was domiciled in the foreign country when  
24 the proceeding was instituted or was a corporation or other form of  
25 business organization that had its principal place of business in,  
26 or was organized under the laws of, the foreign country.

27 (e) The defendant had a business office in the foreign country

1 and the proceeding in the foreign court involved a cause of action  
2 arising out of business done by the defendant through that office  
3 in the foreign country.

4 (f) The defendant operated a motor vehicle or airplane in the  
5 foreign country and the proceeding involved a cause of action  
6 arising out of that operation.

7 (2) The list of bases for personal jurisdiction in subsection  
8 (1) is not exclusive. The courts of this state may recognize bases  
9 of personal jurisdiction other than those listed in subsection (1)  
10 as sufficient to support a foreign-country judgment.

11 Sec. 6. (1) If recognition of a foreign-country judgment is  
12 sought as an original matter, the issue of recognition shall be  
13 raised by filing an action seeking recognition of the foreign-  
14 country judgment.

15 (2) If recognition of a foreign-country judgment is sought in  
16 a pending action, the issue of recognition may be raised by  
17 counterclaim, cross-claim, or affirmative defense.

18 Sec. 7. If the court in a proceeding under section 6 finds  
19 that the foreign-country judgment is entitled to recognition under  
20 this act, then, to the extent that the foreign-country judgment  
21 grants or denies recovery of a sum of money, the foreign-country  
22 judgment is both of the following:

23 (a) Conclusive between the parties to the same extent as the  
24 judgment of a sister state entitled to full faith and credit in  
25 this state would be conclusive.

26 (b) Enforceable in the same manner and to the same extent as a  
27 judgment rendered in this state.

1       Sec. 8. If a party establishes that an appeal from a foreign-  
2 country judgment is pending or will be taken, the court may stay  
3 any proceedings with regard to the foreign-country judgment until  
4 the appeal is concluded, the time for appeal expires, or the  
5 appellant has had sufficient time to prosecute the appeal and has  
6 failed to do so.

7       Sec. 9. An action to recognize a foreign-country judgment  
8 shall be commenced within the earlier of the time during which the  
9 foreign-country judgment is effective in the foreign country or 15  
10 years from the date that the foreign-country judgment became  
11 effective in the foreign country.

12       Sec. 10. In applying and construing this uniform act, a court  
13 shall consider the need to promote uniformity of the law with  
14 respect to its subject matter among states that enact it.

15       Sec. 11. This act does not prevent the recognition under  
16 principles of comity or otherwise of a foreign-country judgment  
17 that is not within the scope of this act.

18       Sec. 12. This act applies to all actions commenced on or after  
19 the effective date of this act in which the issue of recognition of  
20 a foreign-country judgment is raised.

21       Sec. 13. The uniform foreign money-judgments recognition act,  
22 1967 PA 191, MCL 691.1151 to 691.1159, is repealed.