

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

**HOUSE BILL**  
**No. 1078** Session of  
2005

---

INTRODUCED BY BLACKWELL, VEON, DeWEESE, TANGRETTI, BELFANTI,  
FABRIZIO, RAMALEY, GOODMAN, HARHAI, MUNDY, YUDICHAK, SURRA  
AND STABACK, MARCH 23, 2005

---

REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY  
PREPAREDNESS, MARCH 23, 2005

---

AN ACT

1 Providing civil relief for members of the armed forces in  
2 military service; conferring powers and imposing duties on  
3 the Adjutant General; and imposing penalties.

4 TABLE OF CONTENTS

5 Chapter 1. Preliminary Provisions

6 Section 101. Short title.

7 Section 102. Purpose.

8 Section 103. Definitions.

9 Section 104. Applicability.

10 Section 105. Protection of persons secondarily liable.

11 Section 106. Extension of protections to citizens serving with  
12 allied forces.

13 Section 107. Notification of benefits.

14 Section 108. Waiver of rights pursuant to written agreement.

15 Section 109. Exercise of rights under act not to affect certain  
16 future financial transactions.

17 Section 110. Legal representatives.

1 Chapter 3. General Relief

2 Section 301. Protection of service members against default

3 judgments.

4 Section 302. Stay of proceedings when service member has

5 notice.

6 Section 303. Fines and penalties under contracts.

7 Section 304. Stay or vacation of execution of judgments,

8 attachments and garnishments.

9 Section 305. Duration and term of stays; codefendants not in

10 service.

11 Section 306. Statute of limitations.

12 Section 307. Maximum rate of interest on debts incurred before

13 military service.

14 Chapter 5. Rent, Installment Contracts, Mortgages, Liens,

15 Assignment and Leases

16 Section 501. Evictions and distress.

17 Section 502. Protection under installment contracts for

18 purchase or lease.

19 Section 503. Mortgages and trust deeds.

20 Section 504. Settlement of stayed cases relating to personal

21 property.

22 Section 505. Termination of residential or motor vehicle

23 leases.

24 Section 506. Protection of life insurance policy.

25 Section 507. Enforcement of storage liens.

26 Section 508. Extension of protections to dependents.

27 Chapter 7. Life Insurance

28 Section 701. Definitions.

29 Section 702. Insurance rights and protections.

30 Section 703. Application for insurance protection.

1 Section 704. Policies entitled to protection and lapse of  
2 policies.  
3 Section 705. Policy restrictions.  
4 Section 706. Deduction of unpaid premiums.  
5 Section 707. Premiums and interest guaranteed by United States.  
6 Section 708. Regulations.  
7 Section 709. Review of findings of fact and conclusions of law.  
8 Chapter 9. Taxes and Public Lands  
9 Section 901. Taxes respecting personal property, money, credits  
10 and real property.  
11 Section 902. Distribution of information concerning benefits of  
12 title.  
13 Section 903. Income taxes.  
14 Chapter 11. Administrative Remedies  
15 Section 1101. Inappropriate use of act.  
16 Section 1102. Certificates of service; persons reported  
17 missing.  
18 Section 1103. Interlocutory orders.  
19 Chapter 13. Relief  
20 Section 1301. Anticipatory relief.  
21 Section 1302. Power of attorney.  
22 Section 1303. Professional liability protection.  
23 Section 1304. Health insurance reinstatement.  
24 Section 1305. Guarantee of residency for military personnel.  
25 Section 1306. Business or trade obligations.  
26 Chapter 51. Miscellaneous Provisions  
27 Section 5105. Effective date.

28 The General Assembly of the Commonwealth of Pennsylvania  
29 hereby enacts as follows:

1 CHAPTER 1

2 PRELIMINARY PROVISIONS

3 Section 101. Short title.

4 This act shall be known and may be cited as the Pennsylvania  
5 Guard and Reserve Component Civil Relief Act.

6 Section 102. Purpose.

7 The purpose of this act is to provide for the temporary  
8 suspension of judicial and administrative proceedings and  
9 transactions that may adversely affect the civil rights of  
10 service members during their military service.

11 Section 103. Definitions.

12 The following words and phrases when used in this act shall  
13 have the meanings given to them in this section unless the  
14 context clearly indicates otherwise:

15 "Adjutant General." The Adjutant General appointed under 51  
16 Pa.C.S. § 901 (relating to appointment of Adjutant General,  
17 deputy and assistants).

18 "Court." Any court of the unified judicial system or an  
19 administrative agency of the Commonwealth, including an  
20 administrative agency of any political subdivision, whether or  
21 not a court or administrative agency of record.

22 "Dependent." With respect to a service member, includes the  
23 service member's spouse, minor or unemancipated child or an  
24 individual for whom the service member provided more than one-  
25 half of the individual's support for 180 days immediately  
26 preceding an application for relief under this act.

27 "Military service." Includes:

28 (1) In the case of a service member who is a member of  
29 the Army, Navy, Air Force, Marine Corps or Coast Guard,  
30 active duty as defined in 10 U.S.C. § 101(d)(1) (relating to

1 definitions).

2 (2) In the case of a member of the Pennsylvania National  
3 Guard or Pennsylvania Guard, active State service under 51  
4 Pa.C.S. § 508 (relating to active State duty for emergency)  
5 or active Federal service, including, but not limited to, a  
6 call to active Federal service authorized by the President of  
7 the United States or the Secretary of Defense for a period of  
8 more than 30 consecutive days under 32 U.S.C. § 502(f)  
9 (relating to required drills and field exercises) for  
10 purposes of responding to a national emergency declared by  
11 the President and supported by Federal funds.

12 (3) In the case of a member of a reserve component of  
13 the uniformed services, active duty whenever the member is  
14 ordered to active duty.

15 The term includes any period during which a service member is  
16 absent from duty on account of sickness, wounds, leave or other  
17 lawful cause.

18 "Motor vehicle." Any self-propelled device in which, upon  
19 which or by which any person or property is or may be  
20 transported or drawn upon a public highway.

21 "Period of military service." The period beginning on the  
22 date on which a service member enters military service and  
23 ending on the date on which the service member is released from  
24 military service or dies while in military service.

25 "Secretary concerned." With respect to a member of the armed  
26 forces, means:

27 (1) The Secretary of the Army, with respect to matters  
28 concerning the Army.

29 (2) The Secretary of the Navy, with respect to matters  
30 concerning the Navy, the Marine Corps and the Coast Guard

1 when it is operating as a service in the Department of the  
2 Navy.

3 (3) The Secretary of the Air Force, with respect to  
4 matters concerning the Air Force.

5 (4) The Secretary of Homeland Security, with respect to  
6 matters concerning the Coast Guard when it is not operating  
7 as a service in the Department of the Navy.

8 "Service member." Includes:

9 (1) A member of the uniformed services, as that term is  
10 defined in 10 U.S.C. § 101(a)(5) (relating to definitions).

11 (2) A member of the Pennsylvania National Guard or  
12 Pennsylvania Guard.

13 (3) A member of a reserve component of the uniformed  
14 services.

15 The term includes a reference to a legal representative of the  
16 service member.

17 "Uniformed services." Includes:

18 (1) The armed forces.

19 (2) The commissioned corps of the National Oceanic and  
20 Atmospheric Administration.

21 (3) The commissioned corps of the Public Health Service.

22 Section 104. Applicability.

23 (a) Proceedings.--This act shall apply to any judicial or  
24 administrative proceeding commenced in any court or agency of  
25 the Commonwealth or any political subdivision. This act shall  
26 not apply to criminal proceedings.

27 (b) Court in which application may be made.--When under this  
28 act any application is required to be made to a court in which  
29 no proceeding has already been commenced with respect to the  
30 matter, the application may be made to any court which would

1 otherwise have jurisdiction over the matter.

2 Section 105. Protection of persons secondarily liable.

3 (a) Extension of protection when actions stayed, postponed  
4 or suspended.--Whenever pursuant to this act a court stays,  
5 postpones or suspends the enforcement of an obligation or  
6 liability, the prosecution of a suit or proceeding, the entry or  
7 enforcement of an order, writ, judgment or decree or the  
8 performance of any other act, the court may likewise grant the  
9 stay, postponement or suspension to a surety, guarantor,  
10 endorser, accommodation maker, comaker or other person who is or  
11 may be primarily or secondarily subject to the obligation or  
12 liability, the performance or enforcement of which is stayed,  
13 postponed or suspended.

14 (b) Vacation or set-aside of judgments.--When a judgment or  
15 decree is vacated or set aside, in whole or in part, pursuant to  
16 this act, the court may also set aside or vacate, as the case  
17 may be, the judgment or decree as to a surety, guarantor,  
18 endorser, accommodation maker, comaker or other person who is or  
19 may be primarily or secondarily liable on the contract or  
20 liability for the enforcement of the judgment or decree.

21 (c) Bail bond not to be enforced during period of military  
22 service.--A court may not enforce a bail bond during the period  
23 of military service of the principal on the bond when military  
24 service prevents the surety from obtaining the attendance of the  
25 principal. The court may discharge the surety and exonerate the  
26 bail, in accordance with principles of equity and justice,  
27 during or after the period of military service of the principal.

28 (d) Waiver of rights.--

29 (1) This act does not prevent a waiver in writing by a  
30 surety, guarantor, endorser, accommodation maker, comaker or

1 other person, whether primarily or secondarily liable on an  
2 obligation or liability, of the protections provided under  
3 subsections (a) and (b). A waiver is effective only if it is  
4 executed as an instrument separate from the obligation or  
5 liability with respect to which it applies.

6 (2) If a waiver under paragraph (1) is executed by an  
7 individual who after the execution of the waiver enters  
8 military service, or by a dependent of an individual who  
9 after the execution of the waiver enters military service,  
10 the waiver is not valid after the beginning of the period of  
11 military service.

12 Section 106. Extension of protections to citizens serving with  
13 allied forces.

14 A resident of Pennsylvania who is serving with the forces of  
15 a nation with which the United States is allied in the  
16 prosecution of a war or military action is entitled to relief  
17 and protections provided under this act if that service with the  
18 allied forces is similar to military service as defined in this  
19 act. The relief and protections provided to a resident shall  
20 terminate on the date of discharge or release from service.

21 Section 107. Notification of benefits.

22 The Adjutant General shall ensure that notice of the benefits  
23 accorded by this act is provided in writing to persons in  
24 military service and to members of the Pennsylvania National  
25 Guard and Pennsylvania Guard entering military service.

26 Section 108. Waiver of rights pursuant to written agreement.

27 (a) General rule.--A service member may waive any of the  
28 rights and protections provided by this act. A waiver that  
29 applies to an action listed in subsection (b) is effective only  
30 if it is in writing and is executed as an instrument separate

1 from the obligation or liability to which it applies. In the  
2 case of a waiver that permits an action described in subsection  
3 (b), the waiver is effective only if made pursuant to a written  
4 agreement of the parties that is executed during or after the  
5 service member's period of military service. The written  
6 agreement shall specify the legal instrument to which the waiver  
7 applies and, if the service member is not a party to that  
8 instrument, the service member concerned.

9 (b) Actions requiring waivers in writing.--The requirement  
10 in subsection (a) for a written waiver applies to the following:

- 11 (1) The modification, termination or cancellation of:
- 12 (i) a contract, lease or bailment; or
- 13 (ii) an obligation secured by a mortgage, trust,  
14 deed, lien or other security in the nature of a mortgage.
- 15 (2) The repossession, retention, foreclosure, sale,  
16 forfeiture or taking possession of property that:
- 17 (i) is security for any obligation; or
- 18 (ii) was purchased or received under a contract,  
19 lease or bailment.

20 (c) Prominent display of certain contract rights waivers.--  
21 Any waiver in writing of a right or protection provided by this  
22 act that applies to a contract, lease or similar legal  
23 instrument must be in at least 12-point type.

24 Section 109. Exercise of rights under act not to affect certain  
25 future financial transactions.

26 Application by a service member for or receipt by a service  
27 member of a stay, postponement or suspension pursuant to this  
28 act in the payment of a tax, fine, penalty, insurance premium or  
29 other civil obligation or liability of that service member shall  
30 not itself, without regard to other considerations, provide the

1 basis for any of the following:

2 (1) A determination by a lender or other person that the  
3 service member is unable to pay the civil obligation or  
4 liability in accordance with its terms.

5 (2) With respect to a credit transaction between a  
6 creditor and the service member:

7 (i) a denial or revocation of credit by the  
8 creditor;

9 (ii) a change by the creditor in the terms of an  
10 existing credit arrangement; or

11 (iii) a refusal by the creditor to grant credit to  
12 the service member in substantially the amount or on  
13 substantially the terms requested.

14 (3) An adverse report relating to the creditworthiness  
15 of the service member by or to a person engaged in the  
16 practice of assembling or evaluating consumer credit  
17 information.

18 (4) A refusal by an insurer to insure the service  
19 member.

20 (5) An annotation in a service member's record by a  
21 creditor or a person engaged in the practice of assembling or  
22 evaluating consumer credit information, identifying the  
23 service member as a member of the Pennsylvania National  
24 Guard, Pennsylvania Guard or a reserve component of the  
25 uniformed services.

26 (6) A change in the terms offered or conditions required  
27 for the issuance of insurance.

28 Section 110. Legal representatives.

29 A legal representative of a service member for purposes of  
30 this act is either of the following:

1           (1) An attorney acting on the behalf of a service  
2 member.

3           (2) An individual possessing a power of attorney.

4                               CHAPTER 3

5                               GENERAL RELIEF

6 Section 301. Protection of service members against default  
7 judgments.

8       (a) Applicability of section.--This section applies to any  
9 civil action or proceeding in which the defendant does not make  
10 an appearance.

11       (b) Affidavit requirement.--

12           (1) In any action or proceeding covered by this section,  
13 the court, before entering judgment for the plaintiff, shall  
14 require the plaintiff to file with the court an affidavit:

15               (i) stating whether or not the defendant is in  
16 military service and showing necessary facts to support  
17 the affidavit; or

18               (ii) if the plaintiff is unable to determine whether  
19 or not the defendant is in military service, stating that  
20 the plaintiff is unable to determine whether or not the  
21 defendant is in military service.

22       (2) If in an action covered by this section it appears  
23 that the defendant is in military service, the court may not  
24 enter a judgment until after the court appoints an attorney  
25 to represent the defendant. If an attorney appointed under  
26 this section to represent a service member cannot locate the  
27 service member, actions by the attorney in the case shall not  
28 waive any defense of the service member or otherwise bind the  
29 service member.

30       (3) If, based upon the affidavits filed in an action,

1 the court is unable to determine whether the defendant is in  
2 military service, the court, before entering judgment, may  
3 require the plaintiff to file a bond in an amount approved by  
4 the court. If the defendant is later found to be in military  
5 service, the bond shall be available to indemnify the  
6 defendant against any loss or damage the defendant may suffer  
7 by reason of any judgment for the plaintiff against the  
8 defendant, should the judgment be set aside in whole or in  
9 part. The bond shall remain in effect until expiration of the  
10 time for appeal and setting aside of a judgment under  
11 applicable Federal or State law or regulation or under any  
12 applicable ordinance of a political subdivision. The court  
13 may issue such orders or enter such judgments as the court  
14 determines necessary to protect the rights of the defendant  
15 under this act.

16 (4) The requirement for an affidavit under paragraph (1)  
17 may be satisfied by a statement, declaration, verification or  
18 certificate, in writing, subscribed and certified or declared  
19 to be true under penalty of perjury.

20 (c) Penalty for making or using false affidavit.--A person  
21 who makes or uses an affidavit permitted under subsection (b) or  
22 a statement, declaration, verification or certificate as  
23 authorized under subsection (b)(4), knowing it to be false,  
24 commits the offense of false swearing under 18 Pa.C.S. § 4903  
25 (relating to false swearing).

26 (d) Stay of proceedings.--In an action covered by this  
27 section in which the defendant is in military service, the court  
28 shall grant a stay of proceedings for a minimum period of 90  
29 days under this subsection upon application of counsel, or on  
30 the court's own motion, if the court determines that:

1           (1) there may be a defense to the action and a defense  
2 cannot be presented without the presence of the defendant; or

3           (2) after due diligence, counsel has been unable to  
4 contact the defendant or otherwise determine if a meritorious  
5 defense exists.

6           (e) Inapplicability of section 302 procedures.--A stay of  
7 proceedings under subsection (d) shall not be controlled by  
8 procedures or requirements under section 302 (relating to stay  
9 of proceedings when service member has notice).

10          (f) Section 302 protection.--If a service member who is a  
11 defendant in an action covered by this section receives actual  
12 notice of the action, the service member may request a stay of  
13 proceeding under section 302.

14          (g) Vacation or setting aside of default judgments.--

15           (1) If a default judgment is entered in an action  
16 covered by this section against a service member during the  
17 service member's period of military service, or within 60  
18 days after termination of or release from such military  
19 service, the court entering the judgment shall, upon  
20 application by or on behalf of the service member, reopen the  
21 judgment for the purpose of allowing the service member to  
22 defend the action if it appears that:

23           (i) the service member was materially affected by  
24 reason of that military service in making a defense to  
25 the action; and

26           (ii) the service member has a meritorious or legal  
27 defense to the action or some part of it.

28           (2) An application under this subsection must be filed  
29 not later than 90 days after the date of the termination of  
30 or release from military service.

1 (h) Protection of bona fide purchaser.--If a court vacates,  
2 sets aside or reverses a default judgment against a service  
3 member and the vacating, setting aside or reversing is because  
4 of a provision of this act, that action shall not impair a right  
5 or title acquired by a bona fide purchaser for value under the  
6 default judgment.

7 Section 302. Stay of proceedings when service member has  
8 notice.

9 (a) Applicability of section.--This section applies to any  
10 civil action or proceeding in which the plaintiff or defendant  
11 at the time of filing an application under this section:

12 (1) is in military service or is within 90 days after  
13 termination of or release from military service; and

14 (2) has received notice of the action or proceeding.

15 (b) Stay of proceedings.--

16 (1) At any stage before final judgment in a civil action  
17 or proceeding in which a service member described in  
18 subsection (a) is a party, the court may on its own motion  
19 and shall, upon application by the service member, stay the  
20 action for a period of not less than 90 days, if the  
21 conditions in paragraph (2) are met.

22 (2) An application for a stay under paragraph (1) shall  
23 include the following:

24 (i) A letter or other communication setting forth  
25 facts stating the manner in which current military duty  
26 requirements materially affect the service member's  
27 ability to appear and stating a date when the service  
28 member will be available to appear.

29 (ii) A letter or other communication from the  
30 service member's commanding officer stating that the

1 service member's current military duty prevents  
2 appearance and that military leave is not authorized for  
3 the service member at the time of the letter.

4 (c) Application not a waiver of defenses.--An application  
5 for a stay under this section does not constitute an appearance  
6 for jurisdictional purposes and does not constitute a waiver of  
7 any substantive or procedural defense, including a defense  
8 relating to lack of personal jurisdiction.

9 (d) Additional stay.--

10 (1) A service member who is granted a stay of a civil  
11 action or proceeding under subsection (b) may apply for an  
12 additional stay based on continuing material affect of  
13 military duty on the service member's ability to appear. An  
14 application may be made by the service member at the time of  
15 the initial application under subsection (b) or when it  
16 appears that the service member is unavailable to prosecute  
17 or defend the action. The same information required under  
18 subsection (b)(2) shall be included in an application under  
19 this subsection.

20 (2) If the court refuses to grant an additional stay of  
21 proceedings under paragraph (1), the court shall appoint  
22 counsel to represent the service member in the action or  
23 proceeding.

24 (e) Coordination with section 301.--A service member who  
25 applies for a stay under this section and is unsuccessful may  
26 not seek the protections afforded by section 301 (relating to  
27 protection of service members against default judgments).

28 (f) Inapplicability to section 501.--The protections of this  
29 section do not apply to section 501 (relating to evictions and  
30 distress).

1 Section 303. Fines and penalties under contracts.

2 (a) Prohibition of penalties.--When an action for compliance  
3 with the terms of a contract is stayed pursuant to this act, a  
4 penalty shall not accrue for failure to comply with the terms of  
5 the contract during the period of the stay.

6 (b) Reduction or waiver of fines or penalties.--If a service  
7 member fails to perform an obligation arising under a contract  
8 and a penalty is incurred arising from that nonperformance, a  
9 court may reduce or waive the fine or penalty if:

10 (1) the service member was in military service at the  
11 time the fine or penalty was incurred; and

12 (2) the ability of the service member to perform the  
13 obligation was materially affected by the military service.

14 Section 304. Stay or vacation of execution of judgments,  
15 attachments and garnishments.

16 (a) Court action upon material affect determination.--If a  
17 service member, in the opinion of the court, is materially  
18 affected by reason of military service in complying with a court  
19 judgment or order, the court may on its own motion and on  
20 application by the service member:

21 (1) stay the execution of any judgment or order entered  
22 against the service member; and

23 (2) vacate or stay an attachment or garnishment of  
24 property, money or debts in the possession of the service  
25 member or a third party, whether before or after judgment.

26 (b) Applicability.--This section applies to an action or  
27 proceeding commenced in a court against a service member before  
28 or during the period of the service member's military service or  
29 within 90 days after military service terminates.

30 Section 305. Duration and term of stays; codefendants not in

1 service.

2 (a) Period of stay.--A stay of an action, proceeding,  
3 attachment or execution made pursuant to this act by a court may  
4 be ordered for the period of military service and 90 days  
5 thereafter or for any part of that period. The court may set the  
6 terms and amounts for installment payments as is considered  
7 reasonable by the court.

8 (b) Codefendants.--If the service member is a codefendant  
9 with others who are not in military service and who are not  
10 entitled to the relief and protections provided under this act,  
11 the plaintiff may proceed against those other defendants with  
12 the approval of the court.

13 (c) Inapplicability of section.--This section does not apply  
14 to sections 302 (relating to stay of proceedings when service  
15 member has notice) and 1301 (relating to anticipatory relief).  
16 Section 306. Statute of limitations.

17 (a) Tolling of statutes of limitation during military  
18 service.--The period of a service member's military service may  
19 not be included in computing any period limited by law,  
20 regulation or order for the bringing of any action or proceeding  
21 in a court, or in any board, bureau, commission, department or  
22 other agency of the Commonwealth or political subdivision of the  
23 Commonwealth by or against the service member or the service  
24 member's heirs, executors, administrators or assigns.

25 (b) Redemption of real property.--A period of military  
26 service may not be included in computing any period provided by  
27 law for the redemption of real property sold or forfeited to  
28 enforce an obligation, tax or assessment.

29 Section 307. Maximum rate of interest on debts incurred before  
30 military service.

1 (a) Interest rate limitation.--

2 (1) An obligation or liability bearing interest at a  
3 rate in excess of 6% per year that is incurred by a service  
4 member, or the service member and the service member's spouse  
5 jointly, before the service member enters military service  
6 shall not bear interest at a rate in excess of 6% per year  
7 during the period of military service.

8 (2) Interest at a rate in excess of 6% per year that  
9 would otherwise be incurred but for the prohibition in  
10 paragraph (1) is forgiven.

11 (3) The amount of any periodic payment due from a  
12 service member under the terms of the instrument that created  
13 an obligation or liability covered by this section shall be  
14 reduced by the amount of the interest forgiven under  
15 paragraph (2) that is allocable to the period for which the  
16 payment is made.

17 (b) Implementation of limitation.--

18 (1) In order for an obligation or liability of a service  
19 member to be subject to the interest rate limitation in  
20 subsection (a), the service member shall provide to the  
21 creditor written notice and a copy of the military orders  
22 calling the service member to military service and any orders  
23 further extending military service not later than 180 days  
24 after the date of the service member's termination or release  
25 from military service.

26 (2) Upon receipt of written notice and a copy of orders  
27 calling a service member to military service, the creditor  
28 shall treat the debt in accordance with subsection (a),  
29 effective as of the date on which the service member is  
30 called to military service.

1 (c) Creditor protection.--A court may grant a creditor  
2 relief from the limitations of this section if, in the opinion  
3 of the court, the ability of the service member to pay interest  
4 upon the obligation or liability at a rate in excess of 6% per  
5 year is not materially affected by reason of the service  
6 member's military service.

7 (d) Interest.--As used in this section, the term "interest"  
8 includes service charges, renewal charges, fees or any other  
9 charges, except bona fide insurance, with respect to an  
10 obligation or liability.

## 11 CHAPTER 5

### 12 RENT, INSTALLMENT CONTRACTS, MORTGAGES, LIENS, 13 ASSIGNMENT AND LEASES

#### 14 Section 501. Evictions and distress.

##### 15 (a) Court-ordered eviction.--

16 (1) Except by a court order, a landlord or another  
17 person with paramount title may not:

18 (i) Evict a service member or the dependents of a  
19 service member during a period of military service of the  
20 service member from premises:

21 (A) that are occupied or intended to be occupied  
22 primarily as a residence; and

23 (B) for which the monthly rent does not exceed  
24 \$2,400, as adjusted under paragraph (2) for years  
25 after 2005.

26 (ii) Subject the premises to a distress during the  
27 period of military service.

28 (2) (i) For calendar years beginning with 2006, the  
29 amount in effect under paragraph (1)(i)(B) shall be  
30 increased by the housing price inflation adjustment for

1 the calendar year involved.

2 (ii) For purposes of this paragraph:

3 (A) The housing price inflation adjustment for  
4 any calendar year is the percentage change, if any,  
5 by which the CPI housing component for November of  
6 the preceding calendar year exceeds the CPI housing  
7 component for November of 1984.

8 (B) As used in this paragraph, the term "CPI  
9 housing component" means the index published by the  
10 Bureau of Labor Statistics of the United States  
11 Department of Labor known as the Consumer Price  
12 Index, All Urban Consumers, Rent of Primary  
13 Residence, United States City Average.

14 (3) The Adjutant General shall cause to be published in  
15 the Pennsylvania Bulletin each year the amount in effect  
16 under paragraph (1)(i)(B) for that year following the housing  
17 price inflation adjustment for that year pursuant to  
18 paragraph (2). The publication shall be made for a year not  
19 later than 60 days after such adjustment is made for that  
20 year.

21 (b) Stay of execution.--

22 (1) Upon an application for eviction or distress with  
23 respect to premises covered by this section, the court may on  
24 its own motion and shall, if a request is made by or on  
25 behalf of a service member whose ability to pay the agreed  
26 rent is materially affected by military service:

27 (i) stay the proceedings for a period of 90 days,  
28 unless, in the opinion of the court, justice and equity  
29 require a longer or shorter period of time; or

30 (ii) adjust the obligation under the lease to

1           preserve the interests of all parties.

2           (2) If a stay is granted under paragraph (1), the court  
3       may grant to the landlord, or other person with paramount  
4       title, relief as equity may require.

5       (c) Penalties.--

6           (1) Except as provided in subsection (a), a person who  
7       knowingly takes part in an eviction or distress described in  
8       subsection (a), or who knowingly attempts to do so, commits a  
9       misdemeanor of the third degree and shall, upon conviction,  
10      be sentenced to pay a fine of not more than \$2,500, or to  
11      imprisonment for not more than one year, or both.

12          (2) The remedies and rights provided under this section  
13      are in addition to and do not preclude any remedy for  
14      wrongful conversion, or wrongful eviction, otherwise  
15      available under the law to the person claiming relief under  
16      this section, including any award for consequential and  
17      punitive damages.

18       (d) Rent allotment from pay of service member.--To the  
19      extent required by a court order related to property which is  
20      the subject of a court action under this section, the Adjutant  
21      General shall make an allotment from the pay of a service member  
22      on active State duty to satisfy the terms of the order, except  
23      that any allotment shall be subject to regulations prescribed by  
24      the Adjutant General establishing the maximum amount of pay of  
25      service members that may be allotted under this subsection.

26       (e) Applicability.--Section 302 (relating to stay of  
27      proceedings when service member has notice) is not applicable to  
28      this section.

29      Section 502. Protection under installment contracts for  
30                      purchase or lease.

(a) Protection upon breach of contract.--

(1) After a service member enters military service, a contract by the service member for the purchase of real or personal property, including a motor vehicle, or the lease or bailment of that property may not be rescinded or terminated for a breach of terms of the contract occurring before or during that person's military service, nor may the property be repossessed for breach without a court order.

(2) This section applies only to a contract for which a deposit or installment has been paid by the service member before the service member enters military service.

(b) Penalties.--

(1) A person who knowingly resumes possession of property in violation of subsection (a), or in violation of section 108 (relating to waiver of rights pursuant to written agreement), or who knowingly attempts to do so, commits a misdemeanor of the third degree and shall, upon conviction, be sentenced to pay a fine of not more than \$25,000, or to imprisonment for not more than one year, or both.

(2) The remedies and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any award for consequential and punitive damages.

(c) Authority of court.--In a hearing based on this section, the court:

(1) may order repayment to the service member of all or part of the prior installments or deposits as a condition of terminating the contract and resuming possession of the property;

1           (2) may on its own motion and shall on application by a  
2       service member when the service member's ability to comply  
3       with the contract is materially affected by military service,  
4       stay the proceedings for a period of time as, in the opinion  
5       of the court, justice and equity require; or

6           (3) may make other disposition as is equitable to  
7       preserve the interests of all parties.

8       Section 503. Mortgages and trust deeds.

9       (a) Mortgage as security.--this section applies only to an  
10      obligation on real or personal property owned by a service  
11      member that:

12           (1) originated before the period of the service member's  
13      military service and for which the service member is still  
14      obligated; and

15           (2) is secured by a mortgage, trust deed or other  
16      security in the nature of a mortgage.

17      (b) Stay of proceedings and adjustment of obligation.--In an  
18      action filing during or within 90 days after a service member's  
19      period of military service to enforce an obligation described in  
20      subsection (a), the court may after a hearing and on its own  
21      motion and shall upon application by a service member when the  
22      service member's ability to comply with the obligation is  
23      materially affected by military service:

24           (1) stay the proceedings for a period of time as justice  
25      and equity require; or

26           (2) adjust the obligation to preserve the interests of  
27      all parties.

28      (c) Sale or foreclosure.--A sale, foreclosure or seizure of  
29      property for a breach of an obligation described in subsection

30      (a) shall not be valid if made during or within 90 days after

1 the period of the service member's military service except:

2 (1) upon a court order granted before the sale,  
3 foreclosure or seizure with a return made and approved by the  
4 court; or

5 (2) if made pursuant to an agreement as provided in  
6 section 108 (relating to waiver of rights pursuant to written  
7 agreement).

8 (d) Penalties.--

9 (1) A person who knowingly makes or causes to be made a  
10 sale, foreclosure or seizure of property that is prohibited  
11 by subsection (c), or who knowingly attempts to do so,  
12 commits a misdemeanor of the third degree and shall, upon  
13 conviction, be sentenced to pay a fine of not more than  
14 \$2,500, or to imprisonment of not more than one year, or  
15 both.

16 (2) The remedies and rights provided under this section  
17 are in addition to and do not preclude any remedy for  
18 wrongful conversion otherwise available under law to the  
19 person claiming relief under this section, including  
20 consequential and punitive damages.

21 Section 504. Settlement of stayed cases relating to personal  
22 property.

23 (a) Appraisal of property.--When a stay is granted pursuant  
24 to this act, in a proceeding to foreclose a mortgage on or to  
25 repossess personal property or to rescind or terminate a  
26 contract for the purchase of personal property, the court may  
27 appoint three disinterested parties to appraise the property.

28 (b) Equity payment.--Based on the appraisal and if undue  
29 hardship to the service member's dependents will not result, the  
30 court may order that the amount of the service member's equity

1 in the property be paid to the service member, or the service  
2 member's dependents as a condition of foreclosing the mortgage,  
3 repossessing the property or rescinding or terminating the  
4 contract.

5 Section 505. Termination of residential or motor vehicle  
6 leases.

7 (a) General rule.--

8 (1) The lessee on a lease described in subsection (b)  
9 may, at the lessee's option, terminate the lease at any time  
10 after:

11 (i) the lessee's entry into military service; or

12 (ii) the date of the lessee's military orders  
13 described in subsection (b)(1)(ii) or (2)(ii), as the  
14 case may be.

15 (2) A lessee's termination of a lease pursuant to this  
16 subsection shall terminate any obligation a dependent of the  
17 lessee may have under the lease.

18 (b) Covered leases.--This section applies to the following  
19 leases:

20 (1) A lease of premises occupied or intended to be  
21 occupied by a service member or a service member's dependents  
22 for a residential, professional, business, agricultural or  
23 similar purpose if:

24 (i) the lease is executed by or on behalf of a  
25 person who thereafter and during the term of the lease  
26 enters military service; or

27 (ii) the service member, while in military service,  
28 executes the lease and thereafter receives military  
29 orders for a permanent change of station or to deploy  
30 with a military unit for a period of not less than 90

1 days.

2 (2) A lease of a motor vehicle used or intended to be  
3 used by a service member or a service member's dependents for  
4 personal or business transportation if:

5 (i) the lease is executed by or on behalf of a  
6 person who thereafter and during the term of the lease  
7 enters military service under a call or order specifying  
8 a period of not less than 180 days, or who enters  
9 military service under a call or order specifying a  
10 period of 180 days or less and who, without a break in  
11 service, receives orders extending the period of military  
12 service to a period of not less than 180 days; or

13 (ii) the service member, while in military service,  
14 executes the lease and thereafter receives military  
15 orders:

16 (A) for a change of permanent station:

17 (I) from a location in the continental  
18 United States to any location outside the  
19 continental United States; or

20 (II) from a location in a state outside the  
21 continental United States to any location outside  
22 that state; or

23 (B) to deploy with a military unit or as an  
24 individual in support of a military operation for a  
25 period of not less than 180 days.

26 (c) Manner of termination.--

27 (1) Termination of a lease under subsection (a) is made:

28 (i) by delivery by the lessee of written notice of  
29 termination and a copy of the service member's military  
30 orders to the lessor or the lessor's grantee or to the

1 lessor's agent or the agent's grantee; and

2 (ii) in the case of a lease of a motor vehicle, by  
3 return of a motor vehicle by the lessee to the lessor or  
4 the lessor's grantee or to the lessor's agent or the  
5 agent's grantee not later than 15 days after the date of  
6 the delivery of written notice under subparagraph (i).

7 (2) Delivery of notice under paragraph (1)(i) may be  
8 accomplished:

9 (i) by hand delivery;

10 (ii) by private business carrier; or

11 (iii) by placing the written notice in an envelope  
12 with sufficient postage and with return receipt requested  
13 and addressed as designated by the lessor or the lessor's  
14 grantee or to the lessor's agent or the agent's grantee  
15 and depositing the written notice in the United States  
16 mail.

17 (d) Effective date of lease termination.--

18 (1) In the case of a lease described in subsection  
19 (b)(1) that provides for monthly payment of rent, termination  
20 of the lease under subsection (a) is effective 30 days after  
21 the first date on which the next rental payment is due and  
22 payable after the date on which the notice under subsection  
23 (c) is delivered. In the case of any other lease described in  
24 subsection (b)(1), termination of the lease under subsection  
25 (a) is effective on the last day of the month following the  
26 month in which the notice is delivered.

27 (2) In the case of a lease described in subsection  
28 (b)(2), termination of the lease under subsection (a) is  
29 effective on the day on which the requirements of subsection  
30 (c) are met for termination.

1 (e) Arrearages and other obligations and liabilities.--Rents  
2 or lease amounts unpaid for the period preceding the effective  
3 date of the lease termination shall be paid on a prorated basis.  
4 In the case of the lease of a motor vehicle, the lessor may not  
5 impose an early termination charge, but any taxes, summonses and  
6 title and registration fees and any other obligation and  
7 liability of the lessee in accordance with the terms of the  
8 lease, including reasonable charges to the lessee for excess  
9 wear, use and mileage, that are due and unpaid at the time of  
10 termination of the lease shall be paid by the lessee.

11 (f) Rent paid in advance.--Rents or lease amounts paid in  
12 advance for a period after the effective date of the termination  
13 of the lease shall be refunded to the lessee by the lessor or  
14 the lessor's assignee or the assignee's agent within 30 days of  
15 the effective date of the termination of the lease.

16 (g) Relief to lessor.--Upon application by the lessor to a  
17 court before the termination date provided in the written  
18 notice, relief granted by this section to a service member may  
19 be modified as justice and equity require.

20 (h) Penalties.--

21 (1) Any person who knowingly seizes, holds or detains  
22 the personal effects, security deposit or other property of a  
23 service member or a service member's dependent who lawfully  
24 terminates a lease covered by this section, or who knowingly  
25 interferes with the removal of property from premises covered  
26 by the lease, for the purpose of subjecting or attempting to  
27 subject any of the property to a claim for rent accruing  
28 subsequent to the date of termination of the lease, or  
29 attempts to do so, commits a misdemeanor of the third degree,  
30 and shall, upon conviction, be sentenced to pay a fine of not

1 more than \$2,500, or to imprisonment for not more than one  
2 year, or both.

3 (2) The remedy and rights provided under this section  
4 are in addition to and do not preclude any remedy for  
5 wrongful conversion otherwise available under law to the  
6 person claiming relief under this section, including any  
7 award for consequential or punitive damages.

8 (i) Definitions.--As used in this section, the following  
9 words and phrases shall have the meanings given to them in this  
10 subsection:

11 "Continental United States." The 48 contiguous states and  
12 the District of Columbia.

13 "Military orders." With respect to a service member,  
14 official military orders or any notification, certification or  
15 verification from the service member's commanding officer, with  
16 respect to the service member's current or future military duty  
17 status.

18 Section 506. Protection of life insurance policy.

19 (a) Assignment of policy protected.--If a life insurance  
20 policy on the life of a service member is assigned before  
21 military service to secure the payment of an obligation, the  
22 assignee of the policy, except the insurer in connection with a  
23 policy loan, may not exercise, during a period of military  
24 service of the service member or within one year thereafter, any  
25 right or option obtained under the assignment without a court  
26 order.

27 (b) Exception.--The prohibition in subsection (a) shall not  
28 apply:

29 (1) if the assignee has the written consent of the  
30 insured made during the period described in subsection (a);

1           (2) when the premiums on the policy are due and unpaid;  
2       or  
3           (3) upon the death of the insured.

4       (c) Order refused because of material affect.--A court which  
5 receives an application for an order required under subsection  
6 (a) may refuse to grant the order if the court determines the  
7 ability of the service member to comply with the terms of the  
8 obligation is materially affected by military service.

9       (d) Treatment of guaranteed premiums.--For purposes of this  
10 subsection, premiums guaranteed under the provisions of Chapter  
11 7 (relating to life insurance) shall not be considered due and  
12 unpaid.

13       (e) Penalties.--

14           (1) A person who knowingly takes an action contrary to  
15 this section or attempts to do so commits a misdemeanor of  
16 the third degree and shall, upon conviction, be sentenced to  
17 pay a fine of not more than \$2,500, or to imprisonment for  
18 not more than one year, or both.

19           (2) The remedy and rights provided under this section  
20 are in addition to and do not preclude any remedy for  
21 wrongful conversion otherwise available under law to the  
22 person claiming relief under this section, including any  
23 consequential or punitive damages.

24 Section 507. Enforcement of storage liens.

25       (a) liens.--

26           (1) a person holding a lien on the property or effects  
27 of a service member may not, during any period of military  
28 service of the service member and for 90 days thereafter,  
29 foreclose or enforce any lien on the property or effects  
30 without a court order granted before foreclosure or

1 enforcement.

2 (2) For the purposes of paragraph (1), the term "lien"  
3 includes a lien for storage, repair or cleaning of the  
4 property or effects of a service member or a lien on the  
5 property or effects for any other reason.

6 (b) Stay of proceedings.--In a proceeding to foreclose or  
7 enforce a lien subject to this section, the court may on its own  
8 motion and shall if requested by a service member whose ability  
9 to comply with the obligation resulting in the proceeding is  
10 materially affected by military service:

11 (1) stay the proceeding for a period of time as justice  
12 and equity require; or

13 (2) adjust the obligation to preserve the interests of  
14 all parties.

15 (c) Construction.--The provisions of this subsection do not  
16 affect the scope of section 503 (relating to mortgages and trust  
17 deeds).

18 (d) Penalties.--

19 (1) A person who knowingly takes an action contrary to  
20 this section, or attempts to do so, commits a misdemeanor of  
21 the third degree and shall, upon conviction, be sentenced to  
22 pay a fine of not more than \$2,500, or to imprisonment for  
23 not more than one year, or both.

24 (2) The remedy and rights provided under this section  
25 are in addition to and do not preclude any remedy for  
26 wrongful conversion otherwise available under law to the  
27 person claiming relief under this section, including any  
28 consequential or punitive damages.

29 Section 508. Extension of protections to dependents.

30 Upon application to a court a dependent of a service member

1 is entitled to the protections of this act if the dependent's  
2 ability to comply with a lease, contract, bailment or other  
3 obligation is materially affected by reason of the service  
4 member's military service.

## 5 CHAPTER 7

### 6 LIFE INSURANCE

#### 7 Section 701. Definitions.

8 The following words and phrases when used in this chapter  
9 shall have the meanings given to them in this section unless the  
10 context clearly indicates otherwise:

11 "Insured." A service member whose life is insured under a  
12 policy.

13 "Insurer." Any firm, corporation, partnership, association  
14 or business that is chartered or authorized to provide insurance  
15 and issue contracts or policies by the laws of this  
16 Commonwealth, or any state, commonwealth, territory or  
17 possession of the United States or the District of Columbia.

18 "Policy." Any individual contract for whole, endowment,  
19 universal or term life insurance, other than group term life  
20 insurance coverage, including any benefit in the nature of the  
21 insurance arising out of membership in any fraternal or  
22 beneficial association which:

23 (1) provides that the insurer may not:

24 (i) decrease the amount of coverage or require the  
25 payment of an additional amount as premiums if the  
26 insured engages in military service, except increases in  
27 premiums in individual term insurance based upon age; or

28 (ii) limit or restrict coverage for any activity  
29 required by military service; and

30 (2) is in force not less than 180 days before the date

of the insured's entry into military service and at the time of application under this chapter.

"Premium." The amount specified in an insurance policy to be paid to keep the policy in force.

Section 702. Insurance rights and protections.

(a) Rights and protections.--The rights and protections under this chapter apply to the insured when:

(1) the insured;

(2) the insured's legal representative; or

(3) the insured's beneficiary in the case of an insured who is outside the Commonwealth;

applies in writing for protection under this chapter, unless the Adjutant General determines that the insured's policy is not entitled to protection under this chapter.

(b) Notification and application.--The Adjutant General shall promulgate the procedures to be used to apply for the protections provided under this chapter. The applicant shall send the original application to the insurer and a copy to the Adjutant General.

(c) Limitation on amount.--The total amount of life insurance coverage protection provided by this chapter for a service member may not exceed \$250,000, or an amount equal to the service member's group life insurance maximum limit, whichever is greater, regardless of the number of policies submitted.

Section 703. Application for insurance protection.

(a) Application procedure.--An application for protection under this chapter shall:

(1) be in writing and signed by the insured, the insured's legal representative or the insured's beneficiary,

1 as the case may be;

2 (2) identify the policy and the insurer; and

3 (3) include an acknowledgement that the insured's rights  
4 under the policy are subject to and modified by the  
5 provisions of this chapter.

6 (b) Additional requirements.--The Adjutant General may  
7 require additional information from the applicant, the insured  
8 and the insurer to determine if the policy is entitled to  
9 protection under this chapter.

10 (c) Notice to Adjutant General.--Upon receipt of the  
11 application of the insured, the insurer shall furnish a report  
12 concerning the policy to the Adjutant General as required by  
13 regulations prescribed by the Adjutant General.

14 (d) Policy modification.--Upon application for protection  
15 under this chapter, the insured and the insurer shall have  
16 constructively agreed to any policy modification necessary to  
17 give this chapter full force and effect.

18 Section 704. Policies entitled to protection and lapse of  
19 policies.

20 (a) Determination.--The Adjutant General shall determine  
21 whether a policy is entitled to protection under this chapter  
22 and shall notify the insured and the insurer of that  
23 determination.

24 (b) Lapse protection.--A policy that the Adjutant General  
25 determines is entitled to protection under this chapter shall  
26 not lapse or otherwise terminate or be forfeited for the  
27 nonpayment of a premium or interest or indebtedness on a  
28 premium, after the date on which the application for protection  
29 is received by the Adjutant General.

30 (c) Time application.--The protection provided by this title

1 applies during the insured's period of military service and for  
2 a period of two years thereafter.

3 Section 705. Policy restrictions.

4 (a) Dividends.--While a policy is protected under this  
5 chapter, a dividend or other monetary benefit under a policy may  
6 not be paid to an insured or used to purchase dividend additions  
7 without the approval of the Adjutant General. If approval is not  
8 obtained, the dividends or benefits shall be added to the value  
9 of the policy to be used as a credit when final settlement is  
10 made with the insurer.

11 (b) Specific restrictions.--While a policy is protected  
12 under this chapter, cash value, loan value, withdrawal of  
13 dividend accumulation, unearned premiums or other value of  
14 similar character may not be available to the insured without  
15 the approval of the Adjutant General. The right of the insured  
16 to change a beneficiary designation or select an optional  
17 settlement for a beneficiary shall not be affected by the  
18 provisions of this chapter.

19 Section 706. Deduction of unpaid premiums.

20 (a) Settlement of proceeds.--If a policy matures as a result  
21 of a service member's death or otherwise during the period of  
22 protection of the policy under this chapter, the insurer in  
23 making settlement shall deduct from the insurance proceeds the  
24 amount of the unpaid premiums guaranteed under this chapter,  
25 together with interest due at the rate fixed in the policy for  
26 policy loans.

27 (b) Interest rate.--If the interest rate is not specifically  
28 fixed in the policy, the rate shall be the same as for policy  
29 loans in other policies issued by the insurer at the time the  
30 insured's policy was issued.

(c) Reporting requirement.--The amount deducted under this section, if any, shall be reported by the insurer to the Adjutant General.

Section 707. Premiums and interest guaranteed by United States.

(a) Guarantee of premiums and interest by the Commonwealth.--

(1) Payment of premiums and interest on premiums at the rate specified in section 706 (relating to deduction of unpaid premiums), which become due on a policy under the protection of this chapter, is guaranteed by the Commonwealth. If the amount guaranteed is not paid to the insurer before the period of insurance protection under this chapter expires, the amount due shall be treated by the insurer as a policy loan on the policy.

(2) If, at the expiration of insurance protection under this chapter, the cash surrender value of a policy is less than the amount due to pay premiums and interest on premiums on the policy, the policy shall terminate. Upon termination, the Commonwealth shall pay the insurer the difference between the amount due and the cash surrender value.

(b) Recovery from insured of amounts paid by Commonwealth.--

(1) The amount paid by the Commonwealth to an insurer under this chapter shall be a debt payable to the Commonwealth by the insured on whose policy payment was made.

(2) The amount may be collected by the Commonwealth either as an offset from any amount due the insured by the Commonwealth or as otherwise authorized by law.

(3) The debt payable to the Commonwealth is not dischargeable in bankruptcy proceedings.

(c) Crediting of amounts recovered.--Any amounts received by

1 the Commonwealth as repayment of debts incurred by an insured  
2 under this chapter shall be credited to the appropriation for  
3 the payment of claims under this chapter.

4 Section 708. Regulations.

5 The Adjutant General shall prescribe regulations for the  
6 implementation of this chapter.

7 Section 709. Review of findings of fact and conclusions of law.

8 The findings of fact and conclusions of law made by the  
9 Adjutant General in administering this chapter are subject to  
10 review and appeal in accordance with 2 Pa.C.S. (relating to  
11 administrative law and procedure).

12 CHAPTER 9

13 TAXES AND PUBLIC LANDS

14 Section 901. Taxes respecting personal property, money, credits  
15 and real property.

16 (a) Application.--This section applies in any case in which  
17 a tax or assessment, whether general or special, other than a  
18 tax on personal income, falls due and remains unpaid before or  
19 during a period of military service with respect to a service  
20 member's:

21 (1) personal property, including motor vehicles; or  
22 (2) real property occupied for dwelling, professional,  
23 business or agricultural purposes by a service member or the  
24 service member's dependents or employees:

25 (i) before the service member's entry into military  
26 service; and

27 (ii) during the time the tax or assessment remains  
28 unpaid.

29 (b) Sale of property.--

30 (1) Property described in subsection (a) may not be sold

1 to enforce the collection of a tax or assessment except by  
2 court order and upon the determination by the court that  
3 military service does not materially affect the service  
4 member's ability to pay the unpaid tax or assessment.

5 (2) A court may stay a proceeding to enforce the  
6 collection of a tax or assessment, or sale of property  
7 described in subsection (a), during a period of military  
8 service of the service member and for a period not more than  
9 180 days after the termination of or release of the service  
10 member from military service.

11 (c) Redemption.--When property described in subsection (a)  
12 is sold or forfeited to enforce the collection of a tax or  
13 assessment, a service member shall have the right to redeem or  
14 commence an action to redeem the service member's property  
15 during the period of military service or within 180 days after  
16 termination of or release from military service. This subsection  
17 may not be construed to shorten any period provided by the laws  
18 of this Commonwealth or ordinance of a political subdivision for  
19 redemption.

20 (d) Interest on tax or assessment.--Whenever a service  
21 member does not pay a tax or assessment on property described in  
22 subsection (a) when due, the amount of the tax or assessment due  
23 and unpaid shall bear interest until paid at the rate of 6% per  
24 year. An additional penalty or interest shall not be incurred by  
25 reason of nonpayment. A lien for the unpaid tax or assessment  
26 may include interest under this subsection.

27 (e) Joint ownership application.--This section applies to  
28 all forms of property described in subsection (a) owned  
29 individually by a service member or jointly by a service member  
30 and a dependent or dependents.

1 Section 902. Distribution of information concerning benefits of  
2 title.

3 (a) Distribution of information by Adjutant General.--The  
4 Adjutant General shall issue to service members information  
5 explaining the provisions of this chapter.

6 (b) Application forms.--The Adjutant General shall provide  
7 application forms to service members requesting relief under  
8 this chapter.

9 Section 903. Income taxes.

10 (a) Deferral of tax.--Upon notice to the Department of  
11 Revenue or the tax authority of a political subdivision, the  
12 collection of personal income tax or earned income tax on the  
13 income of a service member falling due before or during military  
14 service shall be deferred for a period of not more than 180 days  
15 after termination of or release from military service if a  
16 service member's ability to pay the tax is materially affected  
17 by military service.

18 (b) Accrual of interest or penalty.--No interest or penalty  
19 shall accrue for the period of deferment by reason of nonpayment  
20 on any amount of tax deferred under this section.

21 (c) Statute of limitations.--The running of a statute of  
22 limitations against the collection of tax deferred under this  
23 section, by seizure or otherwise, shall be suspended for the  
24 period of military service of the service member and for an  
25 additional period of 270 days thereafter.

26 CHAPTER 11

27 ADMINISTRATIVE REMEDIES

28 Section 1101. Inappropriate use of act.

29 If a court determines, in any proceeding to enforce a civil  
30 right, that any interest, property or contract has been

1 transferred or acquired with the intent to delay the just  
2 enforcement of the civil right by taking advantage of this act,  
3 the court shall enter a judgment or make an order concerning the  
4 transfer or acquisition.

5 Section 1102. Certificates of service; persons reported  
6 missing.

7 (a) Prima facie evidence.--In any proceeding under this act,  
8 a certificate signed by the secretary concerned or the Adjutant  
9 General, whichever is appropriate, is prima facie evidence as to  
10 any of the following facts stated in the certificate:

11 (1) The person named is, is not, has been or has not  
12 been in military service.

13 (2) The time and the place the person entered military  
14 service.

15 (3) The person's residence at the time the person  
16 entered military service.

17 (4) The rank, branch and unit of military service of the  
18 person upon entry.

19 (5) The inclusive dates of the person's military  
20 service.

21 (6) The monthly pay received by the person at the date  
22 of the certificate's issuance.

23 (7) The time and place of the person's termination of or  
24 release from military service, or the person's death during  
25 military service.

26 (b) Certificates.--The secretary concerned or the Adjutant  
27 General, whichever is appropriate, shall furnish a certificate  
28 under subsection (a) upon receipt of an application for a  
29 certificate. A certificate appearing to be signed by the  
30 secretary concerned or Adjutant General, whichever is

1 appropriate, is prima facie evidence of its contents and of the  
2 signer's authority to issue it.

3 (c) Treatment of service members in missing status.--A  
4 service member who has been reported missing is presumed to  
5 continue in service until accounted for. A requirement under  
6 this act that begins or ends with the death of a service member  
7 does not begin or end until the service member's death is  
8 reported to or determined by the secretary concerned, the  
9 Adjutant General or by a court of competent jurisdiction.  
10 Section 1103. Interlocutory orders.

11 An interlocutory order issued by a court under this act may  
12 be revoked, modified or extended by that court upon its own  
13 motion or otherwise, upon notification to affected parties as  
14 required by the court.

## 15 CHAPTER 13

### 16 RELIEF

17 Section 1301. Anticipatory relief.

18 (a) Application for relief.--A service member may, during  
19 military service or within 180 days of termination of or release  
20 from military service, apply to a court for relief:

21 (1) from any obligation or liability incurred by the  
22 service member before the service member's military service;  
23 or

24 (2) from a tax or assessment falling due before or  
25 during the service member's military service.

26 (b) Tax liability or assessment.--In a case covered by  
27 subsection (a), the court may, if the ability of the service  
28 member to comply with the terms of the obligation or liability  
29 or pay the tax or assessment has been materially affected by  
30 reason of military service, after appropriate notice and

1 hearing, grant the following relief:

2 (1) (i) In the case of an obligation payable in  
3 installments under a contract for the purchase of real  
4 estate, or secured by a mortgage or other instrument in  
5 the nature of a mortgage upon real estate, the court may  
6 grant a stay of the enforcement of the obligation:

7 (A) during the service member's period of  
8 military service; and

9 (B) from the date of termination of or release  
10 from military service, or from the date of  
11 application if made after termination of or release  
12 from military service.

13 (ii) Any stay under this paragraph shall be:

14 (A) for a period equal to the remaining life of  
15 the installment contract or other instrument, plus a  
16 period of time equal to the period of military  
17 service of the service member, or any part of the  
18 combined period; and

19 (B) subject to payment of the balance of the  
20 principal and accumulated interest due and unpaid at  
21 the date of termination or release from the  
22 applicant's military service or from the date of  
23 application in equal installments during the combined  
24 period at the rate of interest on the unpaid balance  
25 prescribed in the contract or other instrument  
26 evidencing the obligation and subject to other terms  
27 as may be equitable.

28 (2) (i) In the case of any other obligation, liability,  
29 tax or assessment, the court may grant a stay of  
30 enforcement:

1 (A) during the service member's military  
2 service; and

3 (B) from the date of termination of or release  
4 from military service or from the date of application  
5 if made after termination or release from military  
6 service.

7 (ii) Any stay under this paragraph shall be:

8 (A) for a period of time equal to the period of  
9 the service member's military service or any part of  
10 the period; and

11 (B) subject to payment of the balance of  
12 principal and accumulated interest due and unpaid at  
13 the date of termination or release from military  
14 service, or the date of application, in equal  
15 periodic installments during this extended period at  
16 the rate of interest as may be prescribed for this  
17 obligation, liability, tax or assessment, if paid  
18 when due, and subject to other terms as may be  
19 equitable.

20 (c) Affect of stay on fine or penalty.--When a court grants  
21 a stay under this section, a fine or penalty shall not accrue on  
22 the obligation, liability, tax or assessment for the period of  
23 compliance with the terms and conditions of the stay.

24 Section 1302. Power of attorney.

25 (a) Automatic extension.--A power of attorney of a service  
26 member shall be automatically extended for the period the  
27 service member is in a missing status as defined in 37 U.S.C. §  
28 551(2) (relating to definitions), if the power of attorney:

29 (1) was duly executed by the service member:

30 (i) while in military service; or

(ii) before entry into military service but after  
the service member:

(A) received a call or order to report for  
military service; or

(B) was notified by an official of the  
Department of Defense that the person could receive a  
call or order to report for military service;

(2) designates the service member's spouse, parent or  
other named relative as the service member's attorney in fact  
for certain, specified or all purposes; and

(3) expires by its terms after the service member  
entered a missing status.

(b) Limitation on power of attorney extension.--A power of  
attorney executed by a service member may not be extended under  
subsection (a) if the document by its terms clearly indicates  
that the power granted expires on the date specified even though  
the service member, after the date of execution of the document,  
enters a missing status.

Section 1303. Professional liability protection.

(a) Applicability.--This section applies to a service member  
who:

(1) Is ordered to active duty, other than for training,  
by the Governor or pursuant to 10 U.S.C. §§ 688 (relating to  
retired members: authority to order active duty; duties),  
12301(a) or (g) (relating to reserve components generally),  
12302 (relating to Ready Reserve), 12304 (relating to  
Selected Reserve and certain Individual Ready Reserve  
members; order to active duty other than during war or  
national emergency), 12306 (relating to Standby Reserve) and  
12307 (relating to Retired Reserve) or who is ordered to

1 active duty under 10 U.S.C. § 12301(d) during a period when  
2 members are on active duty pursuant to any of the preceding  
3 sections; and

4 (2) immediately before receiving the order to active  
5 duty:

6 (i) was engaged in the furnishing of health care or  
7 legal services or other services determined by the  
8 Adjutant General to be professional services; and

9 (ii) had in effect a professional liability  
10 insurance policy that does not continue to cover claims  
11 filed with respect to the service member during the  
12 period of the service member's active duty unless the  
13 premiums are paid for coverage for the period.

14 (b) Suspension of coverage.--

15 (1) Coverage of a service member referred to in  
16 subsection (a) by a professional liability insurance policy  
17 shall be suspended by the insurance carrier in accordance  
18 with this subsection upon receipt of a written request from  
19 the service member by the insurance carrier.

20 (2) A professional liability insurance carrier:

21 (i) may not require that premiums be paid by or on  
22 behalf of a service member for any professional liability  
23 insurance coverage suspended pursuant to paragraph (1);  
24 and

25 (ii) shall refund any amount paid for coverage for  
26 the period of suspension or, upon the election of the  
27 service member, apply the amount for the payment of any  
28 premium becoming due upon the reinstatement of the  
29 coverage.

30 (3) A professional liability insurance carrier shall not

1 be liable with respect to any claim that is based on  
2 professional conduct, including any failure to take any  
3 action in a professional capacity of a service member that  
4 occurs during a period of suspension of the service member's  
5 professional liability insurance under this subsection.

6 (4) For the purposes of paragraph (3), a claim based  
7 upon the failure of a professional to make adequate provision  
8 for a patient, client or other person to receive professional  
9 services or other assistance during the period of the  
10 professional's active duty service shall be considered to be  
11 based on an action or failure to take action before the  
12 beginning of the period of the suspension of professional  
13 liability insurance under this subsection, except in a case  
14 in which professional services were provided after the date  
15 of the beginning of the period.

16 (c) Reinstatement of coverage.--

17 (1) Professional liability insurance coverage suspended  
18 in the case of any service member pursuant to subsection (b)  
19 shall be reinstated by the insurance carrier on the date on  
20 which that service member transmits to the insurance carrier  
21 a written request for reinstatement.

22 (2) The request of a service member for reinstatement  
23 shall be effective only if the service member transmits the  
24 request to the insurance carrier within 30 days after the  
25 date on which the service member is released from active  
26 duty. The insurance carrier shall notify the service member  
27 of the due date for payment of the premium of such insurance.  
28 The premium shall be paid by the service member within 30  
29 days after receipt of that notice.

30 (3) The period for which professional liability

1 insurance coverage shall be reinstated for a service member  
2 under this subsection may not be less than the balance of the  
3 period for which coverage would have continued under the  
4 insurance policy if the coverage had not been suspended.

5 (d) Increase in premium.--

6 (1) An insurance carrier may not increase the amount of  
7 the premium charged for professional liability insurance  
8 coverage of any service member for the minimum period of the  
9 reinstatement of the coverage required under subsection  
10 (c)(3) to an amount greater than the amount chargeable for  
11 such coverage for the period before the suspension.

12 (2) Paragraph (1) does not prevent an increase in  
13 premium to the extent of any general increase in the premiums  
14 charged by that carrier for the same professional liability  
15 coverage for persons similarly covered by such insurance  
16 during the period of the suspension.

17 (e) Continuation of coverage of unaffected persons.--This  
18 section does not:

19 (1) require a suspension of professional liability  
20 insurance protection for any person who is not a person  
21 referred to in subsection (a) and who is covered by the same  
22 professional liability insurance as a person referred to in  
23 subsection (a); or

24 (2) relieve any person of the obligation to pay premiums  
25 for the coverage not required to be suspended.

26 (f) Stay of civil or administrative actions.--

27 (1) A civil or administrative action for damages on the  
28 basis of the alleged professional negligence or other  
29 professional liability of a service member whose professional  
30 liability insurance coverage has been suspended under

subsection (b) shall be stayed until the end of the period of the suspension if:

(i) the action was commenced during the period of the suspension;

(ii) the action is based on an act or omission that occurred before the date on which the suspension became effective; and

(iii) the suspended professional liability insurance would, except for the suspension, on its face cover the alleged professional negligence or other professional liability negligence or other professional liability of the service member.

(2) Whenever a civil or administrative action for damages is stayed under paragraph (1) in the case of any service member, the action shall have been deemed to have been filed on the date on which the professional liability insurance coverage of the service member is reinstated under subsection (c).

(g) Effect of suspension upon limitations period.--In the case of a civil or administrative action for which a stay could have been granted under subsection (f) by reason of the suspension of professional liability insurance coverage of the defendant under this section, the period of the suspension of the coverage shall be excluded from the computation of any statutory period of limitation on the commencement of such action.

(h) Death during period of suspension.--If a service member whose professional liability insurance coverage is suspended under subsection (b) dies during the period of the suspension:

(1) The requirement for the grant or continuance of a

1 stay in any civil or administrative action against such  
2 service member under subsection (f)(1) shall terminate on the  
3 date of the death of such service member.

4 (2) The carrier of the professional liability insurance  
5 so suspended shall be liable for any claim for damages for  
6 professional negligence or other professional liability of  
7 the deceased service member in the same manner and to the  
8 same extent as such carrier would be liable if the service  
9 member had died while covered by such insurance but before  
10 the claim was filed.

11 (i) Definitions.--As used in this section, the following  
12 words and phrases shall have the meanings given to them in this  
13 subsection:

14 "Active duty." The meanings given that term in 10 U.S.C. §  
15 101(d)(1) (relating to definitions) or an order to State active  
16 duty.

17 "Profession." Includes, but is not limited to, occupation.

18 "Professional." Includes, but is not limited to,  
19 occupational.

20 Section 1304. Health insurance reinstatement.

21 (a) Reinstatement of health insurance.--A service member who  
22 by reason of military service as defined in section 1303(a)(1)  
23 (relating to professional liability protection) is entitled to  
24 the rights and protections of this act shall also be entitled  
25 upon termination of or release from service to reinstatement of  
26 any health insurance that:

27 (1) was in effect on the day before the service  
28 commenced; and

29 (2) was terminated effective on a date during the period  
30 of the service.

(b) No exclusion or waiting period.--The reinstatement of health care insurance coverage for the health or physical condition of a service member described in subsection (a), or any other person who is covered by the insurance by reason of the coverage of the service member, shall not be subject to an exclusion or a waiting period, if:

(1) the condition arose before or during the period of the service;

(2) an exclusion or a waiting period would not have been imposed for the condition during the period of coverage; and

(3) the condition relates to the service member, the condition has not been determined by the Secretary of Veterans Affairs to be a disability incurred or aggravated in the line of duty, within the meaning of or the subject of a similar designation by the Adjutant General.

(c) Exceptions.--Subsection (a) does not apply to a service member entitled to participate in employer-offered insurance benefits pursuant to the provisions of 38 U.S.C. Ch. 43 (relating to employment and reemployment rights of members of the uniformed services).

(d) Time for applying for reinstatement.--An application under this section must be filed not later than 120 days after the date of the termination of or release from military service. Section 1305. Guarantee of residency for military personnel.

For the purposes of voting for any State or local office, a person who is absent from this Commonwealth in compliance with military or naval orders shall not, solely by reason of that absence:

(1) be deemed to have lost a residence or domicile in this Commonwealth, without regard to whether or not the

1 person intends to return to this Commonwealth;

2 (2) be deemed to have acquired a residence or domicile  
3 in any other state; or

4 (3) be deemed to have become a resident in or a resident  
5 of any other state.

6 Section 1306. Business or trade obligations.

7 (a) Availability of nonbusiness assets to satisfy  
8 obligations.--If the trade or business, without regard to the  
9 form in which such trade or business is carried out, of a  
10 service member has an obligation or liability for which the  
11 service member is personally liable, the assets of the service  
12 member not held in connection with the trade or business may not  
13 be available for satisfaction of the obligation or liability  
14 during the service member's military service.

15 (b) Relief of obligors.--Upon application to a court by the  
16 holder of an obligation or liability covered by this section,  
17 relief granted by this section to a service member may be  
18 modified as justice and equity require.

19 CHAPTER 51

20 MISCELLANEOUS PROVISIONS

21 Section 5101. Effective date.

22 This act shall take effect immediately.