

ASSEMBLY JUDICIARY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2221

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 7, 1996

The Assembly Judiciary Committee reports favorably and with committee amendments Assembly Bill No. 2221.

This bill, entitled the "Foreign Money-Judgments Recognition Act," prescribes a uniform procedure for the enforcement of money-judgements which embodies rules that the majority of courts in this country have long applied. It provides that a money-judgment entitled to recognition will be enforceable in the same manner as the judgment of a court of a sister state which is entitled to full faith and credit. The bill provides as the bases for the assumption of personal jurisdiction those bases which are generally accepted today and preserves for the courts the right to recognize still other bases. Because the bill is not selective and applies to judgments from any foreign court, the bill states that judgments rendered under a system without impartial tribunals or procedures compatible with the requirements of due process of law shall neither be recognized nor enforced.

By definition, the bill excludes judgments for taxes or for support in matrimonial or family matters, normally covered by treaty or convention. The further exclusion of fines or other penalties is consistent with the established principle observed by U.S. courts that a country will not enforce foreign penal judgments.

The committee amendments insert the word "country" following "foreign" in the references to "foreign country money-judgments" to clarify that this bill does concern other countries and not sister states. The amendments omit references to specific territories in section 2 of the bill since the definition generally refers to the comprehensive "state, district, commonwealth, territory or insular possession." The term "defendant" is changed to "judgment debtor" to be more comprehensive since there may be circumstances where the defendant in a matter is the successful judgment creditor. In section 6 of the bill the amendments in paragraph (3) of subsection a. include that the agreement to submit to the jurisdiction of the foreign country court be made "expressly in writing." In section 7 the amendments include reference to a stay of execution which could stay the proceedings.