



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-5091/1
ARG:wlj

2019 SENATE BILL 642

January 8, 2020 – Introduced by Senators RISSER and WANGGAARD, cosponsored by Representatives TUSLER, HEBL, ANDERSON, KNOGL, STUBBS and BROOKS. Referred to Committee on Insurance, Financial Services, Government Oversight and Courts.

1 AN ACT ***to create*** subchapter I (title) of chapter 806 [precedes 806.01],
2 subchapter II (title) of chapter 806 [precedes 806.30], subchapter III (title) of
3 chapter 806 [precedes 806.50], 806.50, 806.51, 806.52, 806.53, 806.54, 806.55,
4 806.56, 806.57, 806.58 and 806.59 of the statutes; **relating to:** adopting the
5 Uniform Foreign-Country Money Judgments Recognition Act.

Analysis by the Legislative Reference Bureau

This bill incorporates into Wisconsin law the 2005 Uniform Foreign-Country Money Judgments Recognition Act adopted by the Uniform Law Commission. The bill requires the courts of this state to recognize a judgment of a court outside the United States that grants or denies the recovery of a sum of money. Under the bill, to receive recognition by this state's courts, the foreign country's judgment must be final, conclusive, and enforceable. The bill excludes foreign-country money judgments that are for taxes, for forfeitures or fines, or for support, maintenance, or a property division in connection with a domestic relations case.

Under the bill, this state's circuit courts are prohibited from recognizing a foreign-country money judgment that was rendered by a judicial system that does not provide procedures compatible with the due process of law or that did not have jurisdiction over the subject matter. In addition, a circuit court may not recognize a foreign-country money judgment if the foreign court did not have personal jurisdiction over the defendant, but for purposes of the bill, personal jurisdiction exists if any one of a number of criteria are met, including that the defendant was

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personally served with process in the foreign country, the defendant voluntarily appeared in the foreign court, the defendant had agreed to submit to the jurisdiction of the foreign court, the defendant was domiciled in the country where the foreign judgment was rendered, or the defendant was a business that was organized under the laws of, or had its principal place of business in, that foreign country.

The bill allows the circuit courts to refuse to recognize a foreign-country money judgment for a number of reasons, including if the defendant did not receive sufficient timely notice of the proceedings, if the judgment was obtained by fraud, if the claim for relief that resulted in the judgment is repugnant to the public policy of this state, if the judgment conflicts with another final and conclusive judgment, or if the circumstances of the rendering of the judgment raise substantial doubt about the integrity of the foreign court that rendered the judgment.

The bill requires the circuit court, if it determines that the foreign-country money judgment deserves recognition, to give the judgment full faith and credit in this state, and to enforce that judgment in the same manner as a judgment rendered by a court in this state.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Subchapter I (title) of chapter 806 [precedes 806.01] of the statutes
is created to read:

CHAPTER 806

SUBCHAPTER I

JUDGMENT; GENERAL

SECTION 2. Subchapter II (title) of chapter 806 [precedes 806.30] of the statutes is created to read:

CHAPTER 806

SUBCHAPTER II

JUDGMENT; UNIFORM

FOREIGN MONEY CLAIMS

SECTION 3. Subchapter III (title) of chapter 806 [precedes 806.50] of the statutes is created to read:

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1

CHAPTER 806

2

SUBCHAPTER III

3

JUDGMENT; UNIFORM FOREIGN-COUNTRY

4

MONEY JUDGMENTS RECOGNITION

5

SECTION 4. 806.50 of the statutes is created to read:

6

806.50 Definitions. (1) In this subchapter:

7

(a) "Foreign country" means a government other than one of the following:

8

1. The U.S. government.

9

2. The government of a state, district, commonwealth, territory, or insular possession of the United States.

10

3. Any other government with regard to which the decision in this state as to whether to recognize the judgment of that government's courts is initially subject to a determination under article IV, section 1, of the U.S. Constitution.

11

4. A federally recognized Indian tribe or band in this state.

12

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

13

SECTION 5. 806.51 of the statutes is created to read:

14

806.51 Applicability. (1) Except as provided in sub. (2), this subchapter applies to a foreign-country judgment to the extent that the foreign-country judgment meets all of the following criteria:

15

(a) Grants or denies recovery of a sum of money.

16

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

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1 **(2)** This subchapter does not apply to a foreign-country judgment, even if the
2 foreign-country judgment grants or denies recovery of a sum of money, to the extent
3 that the foreign-country judgment is any of the following:

4 (a) A judgment for taxes.

5 (b) A judgment of a forfeiture, fine, or other penalty.

6 (c) A judgment for support, maintenance, property division, or other judgment
7 rendered in connection with domestic relations.

8 **SECTION 6.** 806.52 of the statutes is created to read:

9 **806.52 Standards for recognition of a foreign-country judgment. (1)**

10 Except as provided in subs. (2) and (3), a circuit court shall recognize a
11 foreign-country judgment to which this subchapter applies under s. 806.51.

12 **(2)** A circuit court may not recognize a foreign-country judgment if any of the
13 following applies:

14 (a) The foreign-country judgment was rendered under a judicial system that
15 does not provide impartial tribunals or procedures compatible with the requirements
16 of due process of law.

17 (b) Subject to s. 806.53 (1), the foreign court that rendered the foreign-country
18 judgment did not have personal jurisdiction over the defendant in the proceeding.

19 (c) The foreign court that rendered the foreign-country judgment did not have
20 jurisdiction over the subject matter.

21 **(3)** A circuit court need not recognize a foreign-country judgment if any of the
22 following applies:

23 (a) The defendant in the proceeding in the foreign court that rendered the
24 foreign-country judgment did not receive notice of the proceeding in sufficient time
25 to enable the defendant to defend.

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1 (b) The foreign-country judgment was obtained by fraud that deprived the
2 losing party of an adequate opportunity to present its case.

3 (c) The foreign-country judgment or the claim for relief on which the
4 foreign-country judgment is based is repugnant to the public policy of this state or
5 of the United States.

6 (d) The foreign-country judgment conflicts with another final and conclusive
7 judgment.

8 (e) The proceeding in the foreign court that rendered the foreign-country
9 judgment was contrary to an agreement between the parties under which the dispute
10 in question was to be determined otherwise than by proceedings in that foreign court.

11 (f) In the case of jurisdiction based only on personal service, the foreign court
12 that rendered the foreign-country judgment was a seriously inconvenient forum for
13 the trial of the action.

14 (g) The foreign-country judgment was rendered in circumstances that raise
15 substantial doubt about the integrity of the foreign court that rendered the
16 foreign-country judgment with respect to the foreign-country judgment.

17 (h) The specific proceeding in the foreign court leading to the foreign-country
18 judgment was not compatible with the requirements of due process of law.

19 (4) The party resisting recognition of the foreign-country judgment has the
20 burden of establishing that one of the grounds for nonrecognition of that
21 foreign-country judgment under sub. (2) or (3) exists.

22 **SECTION 7.** 806.53 of the statutes is created to read:

23 **806.53 Personal jurisdiction.** (1) A circuit court may not refuse to recognize
24 a foreign-country judgment for lack of personal jurisdiction if the defendant meets
25 any of the following conditions:

1 (a) The defendant was served with process personally in the foreign country in
2 the proceeding that resulted in the foreign-country judgment.

3 (b) The defendant voluntarily appeared in the proceeding that resulted in the
4 foreign-country judgment, other than for the purpose of protecting property seized
5 or threatened with seizure in the proceeding or of contesting the jurisdiction of the
6 court over the defendant.

7 (c) Before the commencement of the proceeding that resulted in the
8 foreign-country judgment, the defendant had agreed to submit to the jurisdiction of
9 the foreign court with respect to the subject matter involved in that proceeding.

10 (d) The defendant was domiciled in the foreign country when the proceeding
11 that resulted in the foreign-country judgment was instituted.

12 (e) The defendant was a corporation or other form of business organization that
13 had its principal place of business in, or was organized under the laws of, the foreign
14 country.

15 (f) The defendant had a business office in the foreign country and the
16 proceeding in the court in that foreign country involved a claim for relief arising out
17 of business done by the defendant through that office in the foreign country.

18 (g) The defendant operated a motor vehicle, as defined in s. 192.327 (1) (b), or
19 an airplane in the foreign country and the proceeding that resulted in the
20 foreign-country judgment involved a claim for relief arising out of that operation.

21 (2) In addition to the list under sub. (1), a circuit court may recognize other
22 bases for personal jurisdiction as sufficient to support the recognition of a
23 foreign-country judgment.

24 **SECTION 8.** 806.54 of the statutes is created to read:

SENATE BILL 642**806.54 Procedure for recognition of a foreign-country judgment. (1)**

If recognition of a foreign-country judgment is sought as an original matter, the issue of recognition shall be raised by filing an action in circuit court seeking recognition of the foreign-country judgment.

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

(3) The party seeking recognition of a foreign-country judgment has the burden of proving that this subchapter applies to the foreign-country judgment.

SECTION 9. 806.55 of the statutes is created to read:

806.55 Effect of recognition of a foreign-country judgment. If a circuit court in a proceeding under s. 806.54 finds that the foreign-country judgment is entitled to recognition under this subchapter, then, to the extent that the foreign-country judgment grants or denies recovery of a sum of money, all of the following apply:

(1) The foreign-country judgment is conclusive between the parties to the same extent as the judgment of another state entitled to full faith and credit in this state would be conclusive.

(2) The foreign-country judgment is enforceable in the same manner and to the same extent as a judgment rendered in this state.

SECTION 10. 806.56 of the statutes is created to read:

806.56 Stay of proceedings pending appeal of a foreign-country judgment. If a party establishes that an appeal from a foreign-country judgment is pending or will be taken in that foreign country, the circuit court may stay any proceedings with regard to the foreign-country judgment until the appeal is

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SECTION 10

concluded, the time for appeal is expired, or the party appealing has had sufficient time to prosecute the appeal and has failed to do so.

SECTION 11. 806.57 of the statutes is created to read:

806.57 Statute of limitations. An action to recognize a foreign-country judgment shall be commenced within the earlier of the time during which the foreign-country judgment is effective in the foreign country where the foreign-country judgment was rendered or 15 years after the date that the foreign-country judgment became effective in that foreign country or be barred.

SECTION 12. 806.58 of the statutes is created to read:

806.58 Uniformity of interpretation. In applying and construing this subchapter, consideration must be given to the general purpose of making uniform the law with respect to the subject of this subchapter among states enacting it.

SECTION 13. 806.59 of the statutes is created to read:

806.59 Short title. This subchapter may be cited as the Uniform Foreign-Country Money Judgments Recognition Law.

SECTION 14. Initial applicability.

(1) This act first applies to actions commenced in this state on the effective date of this subsection.

SECTION 15. Effective date.

(1) This act takes effect on the first day of the 4th month beginning after publication.

(END)