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HOUSE BILL NO. 573

Offered January 12, 2022

Prefiled January 11, 2022

A BILL to amend and reenact §§ 8.01-246, 8.01-251, and 16.1-94.1 of the Code of Virginia, relating to statute of limitations; medical debt; judgment entered for medical debt.

Patron—Clark

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That §§ 8.01-246, 8.01-251, and 16.1-94.1 of the Code of Virginia are amended and reenacted as follows:

§ 8.01-246. Personal actions based on contracts.

A. Subject to the provisions of § 8.01-243 regarding injuries to person and property and of § 8.01-245 regarding the application of limitations to fiduciaries, and their bonds, actions founded upon a contract, other than actions on a judgment or decree, shall be brought within the following number of years next after the cause of action shall have accrued:

1. In actions or upon a recognizance, except recognizance of bail in a civil suit, within 10 years; and in actions or motions upon a recognizance of bail in a civil suit, within three years, omitting from the computation of such three years such time as the right to sue out such execution shall have been suspended by injunction, supersedeas or other process;

2. In actions on any contract that is not otherwise specified and that is in writing and signed by the party to be charged thereby, or by his agent, within five years whether such writing be under seal or not;

3. In actions by a partner against another for settlement of the partnership account or in actions upon accounts concerning the trade of merchandise between merchant and merchant, their factors, or servants, within five years from the cessation of the dealings in which they are interested together;

4. In actions upon (i) any contract that is not otherwise specified and that is in writing and not signed by the party to be charged, or by his agent, or (ii) any unwritten contract, express or implied, within three years;

5. *In actions, including those brought by the Commonwealth, upon any contract under subdivision 2 or 4 to collect medical debt, within three years. For the purposes of this subdivision, "medical debt" means a debt arising from the receipt of health care service.*

~~Provided that as to B.~~ In the case of any action to which § 8.2-725 of the Uniform Commercial Code is applicable, that section shall be controlling except that in products liability actions for injury to person and for injury to property, other than the property subject to contract, the limitation prescribed in § 8.01-243 shall apply.

§ 8.01-251. Limitations on enforcement of judgments.

A. No execution shall be issued and no action brought on a judgment dated prior to July 1, 2021, including a judgment in favor of the Commonwealth and a judgment rendered in another state or country, after 20 years from the date of such judgment or domestication of such judgment, unless the period is extended as provided in this section *or except as provided by subsection H*. No execution shall be issued and no action brought on a judgment dated on or after July 1, 2021, including a judgment in favor of the Commonwealth and a judgment rendered in another state or country, after 10 years from the date of such judgment or domestication of such judgment, unless the period is extended as provided in this section, except that no execution shall be issued and no action brought on a judgment dated on or after July 1, 2021, that was created by nonpayment of child support after 20 years from the date of such judgment or domestication of such judgment.

B. The limitation prescribed in subsection A may be extended by the recordation of a certificate in the form provided in subsection G prior to the expiration of the limitation period prescribed herein in the clerk's office in which such judgment lien is recorded and executed by either the judgment lien creditor or by his duly authorized attorney-in-fact or agent. Recordation of the certificate shall extend the limitations of the right to enforce such judgment lien for 10 years from the date of the recordation of the certificate. A judgment creditor may record one additional extension by recording another certificate in the form provided in subsection G prior to the expiration of the original 10-year extension of the limitation period, which shall extend the limitations of the right to enforce such judgment lien for 10 years from the date of recordation of the second certificate. The clerk of the court shall index the certificate in both names in the index of the judgment lien book and give reference to the book and

59 page in which the original lien is recorded. This extension procedure is subject to the exception that if
 60 the action is against a personal representative of a decedent, the motion shall be within two years from
 61 the date of his qualification, the extension may be for only two years from the time of the recordation
 62 of the certificate, and there may be only one such extension.

63 C. No suit shall be brought to enforce the lien of any judgment, including judgments in favor of the
 64 Commonwealth, upon which the right to issue an execution or bring an action is barred by other
 65 subsections of this section, nor shall any suit be brought to enforce the lien of any judgment against the
 66 lands which have been conveyed by the judgment debtor to a grantee for value, unless the same be
 67 brought within five years from the due recordation of the deed from such judgment debtor to such
 68 grantee and unless a notice of lis pendens shall have been recorded in the manner provided by §
 69 8.01-268 before the expiration of such five-year period.

70 D. In computing the time, any time during which the right to sue out execution on the judgment is
 71 suspended by the terms thereof, or by legal process, shall be omitted. Sections 8.01-230 et seq.,
 72 8.01-247 and 8.01-256 shall apply to the right to bring such action in like manner as to any right.

73 E. This section shall not be construed to impair the right of subrogation to which any person may
 74 become entitled while the lien is in force, provided that he institutes proceedings to enforce such right
 75 within five years after the same accrued, nor shall the lien of a judgment be impaired by the recovery of
 76 another judgment thereon, or by a forthcoming bond taken on an execution thereon, such bond having
 77 the force of a judgment.

78 F. Limitations on enforcement of judgments entered in the general district courts shall be governed
 79 by § 16.1-94.1, unless an abstract of such judgment is docketed in the judgment book of a circuit court.
 80 Upon the docketing of such judgment, the limitation for the enforcement of a district court judgment is
 81 the same as for a judgment of the circuit court.

82 G. Any extension of the limitations of the right to enforce a judgment shall conform substantially
 83 with the following form:

84 CERTIFICATE OF EXTENSION OF LIMITATION OF RIGHT TO ENFORCE JUDGMENT LIEN				
85 Place	86 of			87 Record
88 Date		89 Judgment		90 Docketed
91 Judgment	92 Lien	93 Book	94 -----	95 Page
96 Name		97 of		98 Creditor(s)
99 Address		100 of		101 Creditor(s)
102 Phone	103 number	104 of	105 Creditors(s)(if	106 available)
107 Name		108 of		109 Debtor(s)

110 I/we, the judgment lien creditor(s), do hereby certify that the aforementioned judgment lien be
 111 extended 10 years from the date of my/our endorsement upon this certificate.

112 Judgment _____ Creditor/Attorney-in-Fact/Agent:

113 Commonwealth of Virginia
 114 County/City of _____

115 Subscribed, sworn to and acknowledged before me by
 116 _____, this ____ day of _____, 20 ____

117 My Commission expires: _____

118 Notary Public: _____

119 *H. Notwithstanding the provisions of this section, no execution shall be issued and no action brought*
 120 *on a judgment, including a judgment in favor of the Commonwealth and a judgment rendered in another*
state or country, rendered on medical debt pursuant to subdivision A 5 of § 8.01-246 after seven years
from the date of such judgment or domestication of such judgment. Where such medical debt was
incurred while receiving life-sustaining treatment, no such execution or action shall be issued more than
three years from the date of such judgment or domestication of such judgment.

§ 16.1-94.1. Limitations on enforcement of district court judgments.

116 A. For judgments entered in a general district court on or after January 1, 1985, no execution shall
 117 be issued or action brought on such judgment, including a judgment in favor of the Commonwealth,
 118 after ~~ten~~ 10 years from the date of such judgment except as provided in subsection B and in subdivision
 119 B 4 of § 16.1-69.55 B 4.

120 B. No execution shall be issued and no action brought on a judgment, including a judgment in favor

121 *of the Commonwealth, rendered on medical debt pursuant to subdivision A 5 of § 8.01-246 after seven*
122 *years from the date of such judgment or domestication of such judgment. Where such medical debt was*
123 *incurred while receiving life-sustaining treatment, no such execution or action shall be issued more than*
124 *three years from the date of such judgment.*

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HB573