OLR Bill Analysis
sHB 7236

AN ACT CONCERNING PROPERTY THAT IS EXEMPT FROM A JUDGMENT CREDITOR.

SUMMARY

By law, a creditor may obtain a court-ordered judgment against someone who owes the creditor money. However, Connecticut law exempts certain property, income, and assets from execution, including value in a homestead (i.e., an owner-occupied primary residence) and motor vehicle.

This bill increases the homestead exemption, except in cases where the money judgement is due to certain crimes. Under the bill, the value of an individual’s homestead up to $150,000 is exempt from execution, unless the money judgment results from a claim of sexual abuse or exploitation of a minor, sexual assault, or any other willful, wanton, or reckless misconduct; in which case, up to $75,000 is exempt. Current law exempts (1) $75,000 or (2) $125,000 if the money judgement is due to services provided at a hospital.

The bill also doubles, to $7,000, the value of a motor vehicle exempt from execution.

Existing law determines the “value” of a homestead and motor vehicle as its fair market value minus the amount of any statutory or consensual liens (for homesteads) or liens and security interests (for motor vehicles).

Finally, the bill makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2019

BACKGROUND

Exemption Claims
In addition to certain automatically exempt funds, existing law allows a debtor to claim up to 21 different exemptions, including for necessary apparel and food, tools and books necessary for his or her profession, burial plots, health and disability insurance payments, and any interest in any property up to $1,000 (CGS § 52-352b).

**COMMITTEE ACTION**

Judiciary Committee

Joint Favorable Substitute
Yea 35  Nay 2  (04/10/2019)