

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 21-161—HB 6466

Judiciary Committee

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

SUMMARY: By law, certain types and amounts of property, income, and assets are exempt from debt collection (i.e., attachment and post-judgment collections). The act modifies this exemption by:

1. increasing the motor vehicle exemption from \$3,500 for one vehicle to \$7,000 in the aggregate for up to two vehicles, which, under existing law and the act, is determined by the vehicle's fair market value minus all liens and security interests on it;
2. expanding the list of exemptions to include the cash surrender value of a state resident's life insurance policy unless the policy was (a) assigned to or effected for the creditor's benefit or (b) purchased, sold, or transferred with the intent to defraud the creditor;
3. increasing the homestead exemption to \$250,000, instead of \$75,000 or, for money judgments for hospital services, to \$125,000 as under prior law; and
4. limiting the homestead exemption to \$75,000 for money judgments for claims of sexual abuse or exploitation of a minor, sexual assault, or other willful, wanton, or reckless misconduct.

The act also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2021