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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL  
No. 2404 Session of  
1982

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INTRODUCED BY SPENCER, L. E. SMITH, DeVERTER, PICCOLA, DORR,  
GRIECO AND WACHOB, APRIL 14, 1982

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REFERRED TO COMMITTEE ON JUDICIARY, APRIL 14, 1982

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AN ACT

1 Amending Title 42 (Judiciary and Judicial Procedure) of the  
2 Pennsylvania Consolidated Statutes, providing for exemptions  
3 in bankruptcy proceedings.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Section 8121(a) of Title 42, act of November 25,  
7 1970 (P.L.707, No.230), known as the Pennsylvania Consolidated  
8 Statutes, is amended to read:

9 § 8121. Scope of subchapter.

10 (a) General rule.--Except as provided by subsection (b) the  
11 exemptions from execution specified in this subchapter are in  
12 addition to any other exemptions from execution granted by any  
13 other statute. Section 8128 (relating to exemptions available in  
14 bankruptcy proceedings) is applicable only to proceedings  
15 arising under 11 United States Code (relating to bankruptcy).

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17 Section 2. Title 42 is amended by adding a section to read:

18 § 8128. Exemptions available in bankruptcy proceedings.

1     (a) Nonavailability of Federal bankruptcy exemptions.--In  
2     any bankruptcy proceeding a debtor shall not be entitled to the  
3     Federal exemptions provided in 11 United States Code § 522(d)  
4     (relating to exemptions) or to any exemptions provided elsewhere  
5     in this subchapter or in any other statute. The debtor shall be  
6     limited to the exemptions provided in this section.

7     (b) Personal property.--A debtor may exempt his interest in  
8     any property, excluding any property otherwise exempt pursuant  
9     to this section, in an aggregate amount not to exceed \$5,000 in  
10    value.

11    (c) Homestead.--A debtor may exempt his aggregate interest,  
12    not to exceed \$5,000 in value, in real or personal property the  
13    debtor or a dependent of the debtor uses as his primary  
14    residence.

15    (d) Health aids.--A debtor may exempt professionally  
16    prescribed health aids for the debtor or his dependent.

17    (e) Uniforms.--A debtor may exempt his interest in uniforms  
18    and accoutrements as provided in 51 Pa.C.S. § 4103 (relating to  
19    exemption of uniforms and equipment).

20    (f) Retirement funds and accounts.--A debtor may exempt the  
21    following money or other property:

22           (1) Certain amounts payable under the Public School  
23           Employees' Retirement Code as provided by 24 Pa.C.S. § 8533  
24           (relating to taxation, attachment and assignment of funds).

25           (2) Certain amounts payable under the State Employees'  
26           Retirement Code as provided by 71 Pa.C.S. § 5953 (relating to  
27           taxation, attachment and assignment of funds).

28           (3) The retirement allowance provided for in the act of  
29           May 24, 1893 (P.L.129, No.82).

30           (4) Compensation or pension provided for in the act of

1 May 20, 1915 (P.L.566, No.242).

2 (5) Compensation or pension provided for in the act of  
3 May 28, 1915 (P.L.596, No.259).

4 (6) The retirement allowance, contributions and returned  
5 contributions under the act of February 1, 1974 (P.L.34,  
6 No.15), known as the "Pennsylvania Municipal Retirement Law."

7 (7) Any pension or annuity, whether by way of a gratuity  
8 or otherwise, granted or paid by any private corporation or  
9 employer to a retired employee under a plan or contract which  
10 provides that the pension or annuity shall not be assignable.

11 (8) Any retirement or annuity fund of any self-employed  
12 person to the extent of payments thereto made while solvent,  
13 but not exceeding the amount actually excluded or deducted as  
14 retirement funding for Federal income tax purposes, and the  
15 appreciation thereon, the income therefrom and the benefits  
16 or annuity payable thereunder.

17 (9) Retirement funds and accounts exempted by Federal  
18 law.

19 (g) Insurance proceeds.--A debtor may exempt the following  
20 property or other rights:

21 (1) Certain amounts paid, provided or rendered by a  
22 fraternal benefit society as provided by 40 Pa.C.S. § 6531  
23 (relating to benefits not attachable).

24 (2) Claims and compensation payments under the act of  
25 June 2, 1915 (P.L.736, No.338), known as "The Pennsylvania  
26 Workmen's Compensation Law," except as otherwise provided in  
27 the act.

28 (3) Any policy or contract of insurance or annuity  
29 issued to a solvent insured who is the beneficiary thereof,  
30 except any part thereof exceeding an income or return of \$100

1 per month.

2 (4) Any amount of proceeds retained by the insurer at  
3 maturity or otherwise under the terms of an annuity or policy  
4 of life insurance if the policy or a supplemental agreement  
5 provides that such proceeds and the income therefrom shall  
6 not be assignable.

7 (5) Any policy of group insurance or the proceeds  
8 thereof.

9 (6) The net amount payable under any annuity contract or  
10 policy of life insurance made for the benefit of or assigned  
11 to the spouse, children or dependent relative of the insured,  
12 whether or not the right to change the named beneficiary is  
13 reserved by or permitted to the insured. This paragraph shall  
14 not be applicable to the extent the debtor is such spouse,  
15 child or other relative.

16 (7) The net amount payable under any accident or  
17 disability insurance.

18 (8) Certain amounts paid, provided or rendered by a  
19 fraternal benefit society as provided by section 305 of the  
20 act of July 29, 1977 (P.L.105, No.38), known as the  
21 "Fraternal Benefit Society Code."

22 (h) Unemployment compensation.--A debtor may exempt  
23 compensation payments as provided by the act of December 5, 1936  
24 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the "Unemployment  
25 Compensation Law."

26 (i) Benefits and support.--A debtor may exempt his right to  
27 receive:

28 (1) A social security benefit or a public assistance  
29 benefit.

30 (2) A veteran's benefit.

1       (3) Alimony and support to the extent reasonably  
2       necessary for the support of the debtor and his dependent.

3       (j) Loss compensation.--A debtor may exempt his right to  
4       receive:

5           (1) An award under a crime victim's compensation  
6           program.

7           (2) A payment on account of the wrongful death of an  
8           individual of whom the debtor was a dependent, to the extent  
9           reasonably necessary for the support of the debtor and his  
10          dependent.

11          (3) A payment, not to exceed \$7,500, on account of the  
12          pain and suffering from the bodily injury of the debtor or an  
13          individual of whom the debtor is a dependent.

14          (4) A payment in compensation of loss of future earnings  
15          of the debtor or an individual of whom the debtor is or was a  
16          dependent, to the extent reasonably necessary for the support  
17          of the debtor and his dependent.

18       Section 3. This act shall take effect immediately and shall  
19       apply to all bankruptcy proceedings initiated by the filing of a  
20       petition for bankruptcy on or after the effective date.