

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2404

Session of
1982

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

AS REPORTED FROM COMMITTEE ON JUDICIARY, HOUSE OF
REPRESENTATIVES, AS AMENDED, JUNE 7, 1982

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).

16 * * *

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

1 § 8128. Exemptions available in bankruptcy proceedings.

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

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

12 (c) Homestead.--A debtor may exempt his aggregate interest,
13 not to exceed \$5,000 PLUS ANY UNUSED PORTION OF THE EXEMPTION <—
14 PROVIDED UNDER SUBSECTION (B) in value, in real or personal
15 property the debtor or a dependent of the debtor uses as his
16 primary residence.

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

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

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

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

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

30 (3) The retirement allowance provided for in the act of

1 May 24, 1893 (P.L.129, No.82).

2 (4) Compensation or pension provided for in the act of
3 May 20, 1915 (P.L.566, No.242).

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

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

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

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

19 (9) Retirement funds and accounts exempted by Federal
20 law.

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

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

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

30 (3) Any policy or contract of insurance or annuity

1 issued to a solvent insured who is the beneficiary thereof,
2 except any part thereof exceeding an income or return of \$100
3 per month.

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

9 (5) Any policy of group insurance or the proceeds
10 thereof.

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

18 (7) The net amount payable under any accident or
19 disability insurance.

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

24 (h) Unemployment compensation.--A debtor may exempt
25 compensation payments as provided by the act of December 5, 1936
26 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the "Unemployment
27 Compensation Law."

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

30 (1) A social security benefit or a public assistance

1 benefit.

2 (2) A veteran's benefit.

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

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

7 (1) An award under a crime victim's compensation
8 program.

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

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

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

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