

S-3/5/98 *Maier*  
S-3/18/98 *Mund/Do* 5277

FEB 23 1998  
Place On Calendar

HOUSE FILE 2403  
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO HSB 567)

Passed House, <sup>(p. 543)</sup> Date 3/5/98  
Vote: Ayes 95 Nays 1  
Approved \_\_\_\_\_

Passed Senate, <sup>(p. 844)</sup> Date 3/24/98  
Vote: Ayes 48 Nays 1

A BILL FOR

1 An Act relating to property of a debtor which is exempt from  
2 execution.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2403

1 Section 1. Section 627.6, subsection 8, paragraph a, Code  
2 1997, is amended to read as follows:

3 a. A social security benefit, unemployment compensation,  
4 or ~~a-local~~ any public assistance benefit.

5 EXPLANATION

6 Present law provides that a resident debtor may hold exempt  
7 from execution the debtor's rights in a local public  
8 assistance benefit. The bill amends this exemption to  
9 eliminate the adjective "local" thus making exempt the  
10 debtor's rights in any public assistance benefit.

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## HOUSE FILE 2403

S-5277

1 Amend House File 2403, as passed by the House, as  
2 follows:  
3 1. Page 1, by inserting after line 4 the  
4 following:  
5 "Sec. \_\_\_\_ . Section 627.6, subsection 8, Code 1997,  
6 is amended by adding the following new paragraph:  
7 NEW PARAGRAPH. f. All contributions to and assets  
8 in the following list of plans or contracts and the  
9 accumulated earnings, and market increases in value,  
10 therefrom: simplified employee pension plans, self-  
11 employed pension plans, Keogh plans, individual  
12 retirement accounts, Roth individual retirement  
13 accounts, and similar plans for retirement investments  
14 in the future authorized under federal law. However,  
15 contributions to a plan shall not be exempt to the  
16 extent that the contributions for the twenty-four  
17 month period prior to the date the exemption is  
18 claimed or execution is issued exceed ten thousand  
19 dollars in the aggregate over and above the average  
20 contributions that had been made to the plan or plans  
21 by the debtor or the debtor's employer or both in the  
22 five tax years ending prior to the twenty-four-month  
23 period before the date the exemption is claimed or the  
24 execution is issued. The exception to the exemption  
25 in this paragraph for contributions within the twenty-  
26 four-month period prior to the date the exemption is  
27 claimed or execution is issued shall not include the  
28 interest and any accumulation on that interest in any  
29 new plans or contracts that are used to replace prior  
30 plans, contracts, or policies that would have been  
31 excludable from a bankruptcy estate or that the debtor  
32 could have claimed exempt from execution at the time  
33 of the transfer. For purposes of this paragraph,  
34 market increases in value shall include, but not be  
35 limited to, dividends, stock splits, interest, and  
36 appreciation."  
37 2. By renumbering as necessary.

By COMMITTEE ON JUDICIARY  
ANDY McKEAN, Chairperson

S-5277 FILED MARCH 18, 1998

*Adopted*  
*3/24/98*  
*(P. 863)*

H-9203

1 Amend the Senate amendment, H-8632, to House File  
2 2403, as passed by the House, as follows:

3 1. Page 1, line 8, by striking the words "plans  
4 or contracts" and inserting the following: "federally  
5 qualified pension or retirement plans".

6 2. Page 1, line 13, by inserting after the word  
7 "accounts," the following: "savings incentive matched  
8 plans for employees,".

9 3. Page 1, by striking lines 15 and 16 and  
10 inserting the following: "contributions to a plan by  
11 a debtor shall not be exempt if made within the  
12 twenty-four".

13 4. Page 1, by striking lines 18 through 24 and  
14 inserting the following: "claimed. The exception to  
15 the exemption".

16 5. Page 1, line 27, by striking the words "or  
17 execution is issued".

18 6. Page 1, line 29, by striking the words "or  
19 contracts".

20 7. Page 1, line 30, by striking the word  
21 "contracts,".

By KREMER of Buchanan

H-9203 FILED APRIL 15, 1998

## SENATE AMENDMENT TO HOUSE FILE 2403

H-8632

1 Amend House File 2403, as passed by the House, as  
2 follows:

3 1. Page 1, by inserting after line 4 the  
4 following:

5 "Sec. \_\_\_\_ . Section 627.6, subsection 8, Code 1997,  
6 is amended by adding the following new paragraph:

7 NEW PARAGRAPH. f. All contributions to and assets  
8 in the following list of plans or contracts and the  
9 accumulated earnings, and market increases in value,  
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13 accounts, and similar plans for retirement investments  
14 in the future authorized under federal law. However,  
15 contributions to a plan shall not be exempt to the  
16 extent that the contributions for the twenty-four  
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19 dollars in the aggregate over and above the average  
20 contributions that had been made to the plan or plans  
21 by the debtor or the debtor's employer or both in the  
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28 interest and any accumulation on that interest in any  
29 new plans or contracts that are used to replace prior  
30 plans, contracts, or policies that would have been  
31 excludable from a bankruptcy estate or that the debtor  
32 could have claimed exempt from execution at the time  
33 of the transfer. For purposes of this paragraph,  
34 market increases in value shall include, but not be  
35 limited to, dividends, stock splits, interest, and  
36 appreciation."

37 2. By renumbering as necessary.

RECEIVED FROM THE SENATE

H-8632 FILED MARCH 24, 1998

*Kramer, ch  
Veenstra  
Bell*

*HSB 567*

JUDICIARY  
SUCC  
SE (1) 2473

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
JUDICIARY BILL BY  
CHAIRPERSON LAMBERTI)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

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