

HB 447 -- EXEMPTIONS FROM ATTACHMENT AND EXECUTION IN BANKRUPTCY PROCEEDINGS

SPONSOR: Diehl

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Judiciary by a vote of 12 to 0.

This bill specifies that any money or assets payable to a participant or beneficiary in a health savings plan or a similar retirement, profit-sharing or health savings plan, including an inherited account or plan, that is qualified under Section 401(a), 403(a), 403(b), 408, 408A, or 409 of the Internal Revenue Code of 1986, as amended, must be exempt from attachment and execution in a bankruptcy proceeding whether the participant's or beneficiary's interest arises by inheritance, designation, appointment, or otherwise.

PROPONENTS: Supporters say that this bill clarifies that health savings plans are exempt from a bankruptcy proceeding.

Testifying for the bill were Representative Cox on behalf of Representative Diehl; and Reginald Turnbull.

OPPONENTS: There was no opposition voiced to the committee.