



General Assembly

January Session, 2021

**Raised Bill No. 6466**

LCO No. 3425



Referred to Committee on JUDICIARY

Introduced by:  
(JUD)

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

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 52-352b of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2021*):

3 The following property of any natural person shall be exempt:

4 [(a)] (1) Necessary apparel, bedding, foodstuffs, household furniture  
5 and appliances;

6 [(b)] (2) Tools, books, instruments, farm animals and livestock feed,  
7 which are necessary to the exemptioner in the course of his or her  
8 occupation, profession or farming operation;

9 [(c)] (3) Burial plot for the exemptioner and his or her immediate  
10 family;

11 [(d)] (4) Public assistance payments and any wages earned by a public  
12 assistance recipient under an incentive earnings or similar program;

- 13        [(e)] (5) Health and disability insurance payments;
- 14        [(f)] (6) Health aids necessary to enable the exemptioner to work or to  
15 sustain health;
- 16        [(g)] (7) Workers' compensation, Social Security, veterans and  
17 unemployment benefits;
- 18        [(h)] (8) Court-approved payments for child support;
- 19        [(i)] (9) Arms and military equipment, uniforms or musical  
20 instruments owned by any member of the militia or armed forces of the  
21 United States;
- 22        [(j)] (10) One motor vehicle to the value of [three thousand five  
23 hundred] seven thousand dollars, provided value shall be determined  
24 as the fair market value of the motor vehicle less the amount of all liens  
25 and security interests which encumber it;
- 26        [(k)] (11) Wedding and engagement rings;
- 27        [(l)] (12) Residential utility deposits for one residence, and one  
28 residential security deposit;
- 29        [(m)] (13) Any assets or interests of an exemptioner in, or payments  
30 received by the exemptioner from, a plan or arrangement described in  
31 section 52-321a, as amended by this act;
- 32        [(n)] (14) Alimony and support, other than child support, but only to  
33 the extent that wages are exempt from execution under section 52-361a;
- 34        [(o)] (15) An award under a crime reparations act;
- 35        [(p)] (16) All benefits allowed by any association of persons in this  
36 state towards the support of any of its members incapacitated by  
37 sickness or infirmity from attending to his usual business;
- 38        [(q)] (17) All moneys due the exemptioner from any insurance  
39 company on any insurance policy issued on exempt property, to the

40 same extent that the property was exempt;

41 [(r)] (18) Any interest of the exemptioner in any property not to  
42 exceed in value one thousand dollars;

43 [(s)] (19) Any interest of the exemptioner not to exceed in value four  
44 thousand dollars in any accrued dividend or interest under, or loan  
45 value of, any unmaturred life insurance contract owned by the  
46 exemptioner under which the insured is the exemptioner or an  
47 individual of whom the exemptioner is a dependent;

48 (20) The cash surrender value of any life insurance policy issued upon  
49 the life of a citizen or resident of this state, unless the life insurance  
50 policy was assigned to or was effected for the benefit of the creditor or  
51 unless the purchase, sale, or transfer of the life insurance policy is made  
52 with the intent to defraud the creditor;

53 [(t)] (21) The homestead of the exemptioner to the value of [seventy-  
54 five thousand dollars, or, in the case of a money judgment arising out of  
55 services provided at a hospital, to the value of one hundred twenty-five  
56 thousand dollars] two hundred fifty thousand dollars, provided value  
57 shall be determined as the fair market value of the real property less the  
58 amount of any statutory or consensual lien which encumbers it, except  
59 that, in the case of a money judgment arising out of a claim of sexual  
60 abuse or exploitation of a minor, sexual assault or other wilful, wanton,  
61 or reckless misconduct committed by a natural person, to the value of  
62 seventy-five thousand dollars; and

63 [(u)] (22) Irrevocable transfers of money to an account held by a debt  
64 adjuster licensed pursuant to sections 36a-655 to 36a-665, inclusive, for  
65 the benefit of creditors of the exemptioner.

66 Sec. 2. Subdivision (1) of subsection (b) of section 12-162 of the general  
67 statutes is repealed and the following is substituted in lieu thereof  
68 (*Effective October 1, 2021*):

69 (b) (1) Except as provided in subdivision (2) of this subsection, upon

70 the nonpayment of any property tax or any water or sanitation charges  
71 when due, demand having been made therefor as prescribed by law for  
72 the collection of such tax or such water or sanitation charges, an alias tax  
73 warrant may be issued by the tax collector, which may be in the  
74 following form:

75 "To a state marshal of the County of ...., or any constable of the Town  
76 of .... Greeting: By authority of the state of Connecticut you are hereby  
77 commanded to collect forthwith from ... of ... the sum of ... dollars, the  
78 same being the amount of a tax or water or sanitation charges, with  
79 interest or penalty and charges which have accumulated thereon, which  
80 tax was levied or which water or sanitation charges were imposed by  
81 (insert name of town, city or municipality laying the tax or imposing the  
82 water or sanitation charges) upon (insert the real estate, personal  
83 property, or both, as the case may be,) of said .... as of the .... day of .....

84 (In like manner insert the amount of any other property tax or other  
85 water or sanitation charges which may have been levied or imposed in  
86 any other year, including interest or penalty and charges which have  
87 accumulated thereon). In default of payment of said amount you are  
88 hereby commanded to levy for said tax or taxes or such water or  
89 sanitation charges, including interest, penalty and charges, hereinafter  
90 referred to as the amount due on such execution, upon any goods and  
91 chattels of such person and dispose of the same as the law directs,  
92 notwithstanding the provisions of [subsection (j)] subdivision (10) of  
93 section 52-352b, and, after having satisfied the amount due on such  
94 execution, return the surplus, if any, to him; or, except as otherwise  
95 provided in section 12-162, you are to levy upon the real estate of such  
96 person and sell such real property pursuant to section 12-157, to pay the  
97 amount due on such execution; or you shall, in accordance with the  
98 provisions of section 12-162, make demand upon the main office of any  
99 financial institution indebted to such person, subject to the provisions of  
100 section 52-367a or 52-367b, as if judgment for the amount due on such  
101 execution had been entered, for that portion of any type of deposit to  
102 the credit of or property held for such person, not exceeding in total  
103 value the amount due on such execution; or you are to garnishee the

104 wages due such person from any employer, in the same manner as if a  
105 wage execution therefor had been entered, in accordance with section  
106 52-361a.

107 Dated at .... this .... day of .... A.D. 20., Tax Collector."

108 Sec. 3. Subsection (b) of section 52-321a of the general statutes is  
109 repealed and the following is substituted in lieu thereof (*Effective October*  
110 *1, 2021*):

111 (b) Nothing in this section shall impair the rights of an alternate payee  
112 under a qualified domestic relations order, as defined in Section 414(p)  
113 of the Internal Revenue Code of 1986, or any subsequent corresponding  
114 internal revenue code of the United States, as from time to time  
115 amended. Nothing in this section or in [subsection (m)] subdivision (13)  
116 of section 52-352b, as amended by this act, shall impair the rights of the  
117 state to proceed under section 52-361a to recover the costs of  
118 incarceration under section 18-85a and regulations adopted in  
119 accordance with section 18-85a from any federal, state or municipal  
120 pension, annuity or insurance contract or similar arrangement described  
121 in subdivision (5) of subsection (a) of this section, provided the rights of  
122 an alternate payee under a qualified domestic relations order, as defined  
123 in Section 414(p) of the Internal Revenue Code of 1986, or any  
124 subsequent corresponding internal revenue code of the United States,  
125 as from time to time amended, shall take precedence over any such  
126 recovery. Nothing in this section or in [subsection (m)] subdivision (13)  
127 of section 52-352b, as amended by this act, shall impair the rights of a  
128 victim of crime to proceed under section 52-361a to recover damages  
129 awarded by a court of competent jurisdiction from any federal, state or  
130 municipal pension, annuity or insurance contract or similar  
131 arrangement described in subdivision (5) of subsection (a) of this section  
132 when such damages are the result of a crime committed by a participant  
133 or beneficiary of such pension, annuity or insurance contract or similar  
134 arrangement, provided the rights of an alternate payee under a qualified  
135 domestic relations order, as defined in Section 414(p) of the Internal  
136 Revenue Code of 1986, or any subsequent corresponding internal

137 revenue code of the United States, as from time to time amended, shall  
138 take precedence over any such recovery.

139 Sec. 4. Section 52-352a of the general statutes is repealed and the  
140 following is substituted in lieu thereof (*Effective October 1, 2021*):

141 [For the purposes of this section and sections 52-352b and 52-353, the  
142 following terms shall have the following meanings] As used in this  
143 section and sections 52-352b, as amended by this act, and 52-353:

144 [(a)] (1) "Value" means fair market value of the exemptioner's equity  
145 or unencumbered interest in the property;

146 [(b)] (2) "Necessary" means reasonably required to meet the needs of  
147 the exemptioner and his or her dependents including any special needs  
148 by reason of health or physical infirmity;

149 [(c)] (3) "Exempt" means, unless otherwise specified, not subject to  
150 any form of process or court order for the purpose of debt collection;

151 [(d)] (4) "Exemptioner" means the natural person entitled to an  
152 exemption under this section or section 52-352b, as amended by this act;

153 [(e)] (5) "Homestead" means owner-occupied real property, co-op or  
154 mobile manufactured home, as defined in subdivision (1) of section 21-  
155 64, used as a primary residence.

156 Sec. 5. Subsection (r) of section 52-367b of the general statutes is  
157 repealed and the following is substituted in lieu thereof (*Effective October*  
158 *1, 2021*):

159 (r) For the purposes of this subsection, "exempt" has the same  
160 meaning as provided in [subsection (c)] subdivision (3) of section 52-  
161 352a, as amended by this act. Funds deposited in an account that has  
162 been established for the express purpose of receiving electronic direct  
163 deposits of public assistance or of Title IV-D child support payments  
164 from the Department of Social Services shall be exempt.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2021</i>	52-352b
Sec. 2	<i>October 1, 2021</i>	12-162(b)(1)
Sec. 3	<i>October 1, 2021</i>	52-321a(b)
Sec. 4	<i>October 1, 2021</i>	52-352a
Sec. 5	<i>October 1, 2021</i>	52-367b(r)

**Statement of Purpose:**

To increase the value of certain personal and real property that shall be exempt from a judgment creditor and to provide that the cash surrender value of life insurance policies shall also be exempt from a judgment creditor.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*