

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 924

Short Title: Limit Debtor's PI Exemption.

(Public)

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Sponsors: Senators Warren and Martin of Pitt.

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Referred to: Judiciary I/Constitution

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May 1, 1995

A BILL TO BE ENTITLED

1 AN ACT TO LIMIT, WHEN A CREDITOR SEEKS TO ENFORCE A JUDGMENT  
2 AGAINST A DEBTOR, THE CURRENT EXEMPTION EXTENDED TO THE  
3 DEBTOR FOR COMPENSATION THE DEBTOR RECEIVED FOR PERSONAL  
4 INJURY OR FOR THE DEATH OF ONE UPON WHOM THE DEBTOR WAS  
5 DEPENDENT.  
6

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 1C-1601(a) reads as rewritten:

9 "(a) Exempt property. – Each individual, resident of this State, who is a debtor is  
10 entitled to retain free of the enforcement of the claims of his creditors:

11 (1) The debtor's aggregate interest, not to exceed ten thousand dollars  
12 (\$10,000) in value, in real property or personal property that the debtor  
13 or a dependent of the debtor uses as a residence, in a cooperative that  
14 owns property that the debtor or a dependent of the debtor uses as a  
15 residence, or in a burial plot for the debtor or a dependent of the debtor.

16 (2) The debtor's aggregate interest in any property, not to exceed three  
17 thousand five hundred dollars (\$3,500) in value less any amount of the  
18 exemption used under subdivision (1).

19 (3) The debtor's interest, not to exceed one thousand five hundred dollars  
20 (\$1,500) in value, in one motor vehicle.

- 1           (4)    The debtor's aggregate interest, not to exceed three thousand five  
2           hundred dollars (\$3,500) in value for the debtor plus seven hundred fifty  
3           dollars (\$750.00) for each dependent of the debtor, not to exceed three  
4           thousand dollars (\$3,000) total for dependents, in household  
5           furnishings, household goods, wearing apparel, appliances, books,  
6           animals, crops, or musical instruments, that are held primarily for the  
7           personal, family, or household use of the debtor or a dependent of the  
8           debtor.
- 9           (5)    The debtor's aggregate interest, not to exceed seven hundred fifty  
10          dollars (\$750.00) in value, in any implements, professional books, or  
11          tools of the trade of the debtor or the trade of a dependent of the debtor.
- 12          (6)    Life insurance as provided in Article X, Section 5 of the Constitution of  
13          North Carolina.
- 14          (7)    Professionally prescribed health aids for the debtor or a dependent of the  
15          debtor.
- 16          (8)    ~~Compensation~~Compensation, not to exceed seven thousand five hundred  
17          dollars (\$7,500) in value, for personal injury or compensation for the  
18          death of a person upon whom the debtor was dependent for support, not  
19          including pain and suffering or compensation for actual pecuniary loss,  
20          but such compensation is not exempt from claims for funeral, legal,  
21          medical, dental, hospital, and health care charges related to the accident  
22          or injury giving rise to the compensation."

23           Sec. 2. This act is effective upon ratification and applies to any action to  
24          enforce a judgment filed on or after that date.