

Senator Carlene M. Walker proposes to substitute the following bill:

PROPERTY EXEMPT FROM EXECUTION

2001 GENERAL SESSION

STATE OF UTAH

Sponsor: Carlene M. Walker

This act modifies the Judicial Code to change how life insurance benefits are exempted from judicial process.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

78-23-7, as enacted by Chapter 111, Laws of Utah 1981

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **78-23-7** is amended to read:

78-23-7. Exemption of unmatured life insurance contracts.

Except as provided in this section, an individual is entitled to an exemption of unmatured life insurance contracts owned by him. If the contracts have accrued dividends and loan values totaling more than [~~\$1,500~~] \$5,000 available to the individual, a judgment creditor may obtain a court order directing the individual debtor to pay the creditor, and authorizing the creditor on the debtor's behalf to obtain payment of, the amount of the accrued dividends and loan values exceeding [~~\$1,500~~] \$5,000 or the amount of the creditor's claim, whichever is less.