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▲ 02-14-00 7:08 AM ▲

1	AMENDMENTS TO INSURANCE LAW
2	2000 GENERAL SESSION
3	STATE OF UTAH
4	Sponsor: Lowell A. Nelson
5	AN ACT RELATING TO THE JUDICIAL CODE; CHANGING HOW INSURANCE BENEFITS
6	OR CONTRACTS ARE EXEMPTED FROM JUDICIAL PROCESS.
7	This act affects sections of Utah Code Annotated 1953 as follows:
8	AMENDS:
9	78-23-6, as enacted by Chapter 111, Laws of Utah 1981
10	78-23-7, as enacted by Chapter 111, Laws of Utah 1981
11	Be it enacted by the Legislature of the state of Utah:
12	Section 1. Section 78-23-6 is amended to read:
13	78-23-6. Property exempt from execution to extent necessary for support.
14	[Besides] In addition to the property specified in Section 78-23-5, an individual is also
15	entitled to exemption of the following property [to the extent reasonably necessary for the support
16	of the individual and his dependents]:
17	(1) money or property received, and rights to receive money or property for alimony or
18	separate maintenance;
19	(2) proceeds or benefits paid or payable on the death of an insured, if the individual was
20	the spouse or a dependent of the insured; and
21	(3) assets held, payments, and amounts payable under a stock bonus, pension,
22	profit-sharing, annuity, or similar plan providing benefits other than by reason of illness or
23	disability.
24	Section 2. Section 78-23-7 is amended to read:
25	78-23-7. Exemption of unmatured life insurance contracts.
26	[Except as provided in this section, an] An individual is entitled to an exemption of
27	unmatured life insurance contracts owned by him. [If the contracts have accrued dividends and

- 28 loan values totaling more than \$1,500 available to the individual, a judgment creditor may obtain
- 29 a court order directing the individual debtor to pay the creditor, and authorizing the creditor on the
- 30 debtor's behalf to obtain payment of, the amount of the accrued dividends and loan values
- 31 exceeding \$1,500 or the amount of the creditor's claim, whichever is less.]

Legislative Review Note as of 2-7-00 2:29 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel