

125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1415

H.P. 1041

House of Representatives, April 6, 2011

An Act To Update the Bankruptcy Laws To Incorporate Federal Changes Relating to Exemptions

(AFTER DEADLINE)

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

HEATHER J.R. PRIEST

Heath & Buit

Clerk

Presented by Representative FREDETTE of Newport.

Cosponsored by Representatives: DAVIS of Sangerville, TURNER of Burlington.

1 2	Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and
3 4	Whereas, the provisions in the United States Code pertaining to exemptions in bankruptcy proceedings were amended in 2005; and
5 6	Whereas, Maine inadvertently did not update its bankruptcy laws to conform with the amended federal law; and
7 8 9	Whereas, it is imperative for this legislation to take effect immediately so that Maine's laws may be updated to remove potential uncertainty for Maine's citizens and judiciary; and
10 11 12 13	Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,
14	Be it enacted by the People of the State of Maine as follows:
15 16	Sec. 1. 14 MRSA §4426, as amended by PL 1989, c. 286, §2, is further amended to read:
17	§4426. Exemptions in bankruptcy proceedings
18 19 20 21 22 23	Notwithstanding anything to the contrary in the United States Code, Title 11, Section 522(b), a debtor may exempt from property of the debtor's estate under United States Code, Title 11, only that property exempt under the United States Code, Title 11, Section 522(b)(2)(A) 522(b)(3)(A) and (B), except that any debtor eligible for a residence exemption under section 4422, subsection 1, paragraph B, may exempt the amount allowed in that paragraph.
24 25	Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.
26	SUMMARY
27 28	This bill amends Maine's bankruptcy laws to conform with the United States Code as it pertains to bankruptcy exemptions.