

One Hundred Fifth Legislature - First Session - 2017

Introducer's Statement of Intent

LB105

Chairperson: Senator Laura Ebke

Committee: Judiciary

Date of Hearing: January 20, 2017

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB105 increases the bankruptcy "wildcard exemption" in Neb. Rev. Stat. 25-1552 from \$2,500 to \$5,000. The "wildcard exemption" allows a debtor to exempt personal property, other than wages, that has not been otherwise classified. Neb. Rev. Stat. 25-1552 has not been updated in 20 years.

LB105 also increases certain bankruptcy exemption amounts under Neb. Rev. Stat. 25-1556. The "household items" exemption is increased from \$1,500 to \$3,000, and the "tools of the trade" exemption, which is used for items other than a motor vehicle, is increased from \$2,400 to \$5,000. A debtor's interest in a motor vehicle is removed from the "tools of the trade" exemption and classified as its own exemption of up to \$5,000. Neb. Rev. Stat. 25-1556 also has not been updated in 20 years.

Principal Introducer: _____

Senator Lydia Brasch