



FROM THE DESK OF  
REPRESENTATIVE

JOHN LIVELY

Dear Members of the Oregon House of Representative,

I am writing in support of HB 3174, a bill that will address an imbalance in Oregon's law regarding bankruptcy.

Through my work as the rector of churches in Gardiner and Sutherlin, I provide counsel and comfort to many families who are struggling to make ends meet. There are many reasons they now find themselves in debt. A job loss, a prolonged illness or a death in the family are often at the heart of their personal financial crisis. These are people whose fortunes took a devastating turn for the worse as a result of our protracted economic crisis. From my experience they are not looking for a way to skip out on their debts but instead looking for a way to make good on their obligations while taking care of their most important obligation, their children.

By the time they consider the option of bankruptcy they have very few assets, limited incomes and little hope of being able to pay off the steep medical or credit card bills. Bankruptcy is designed to offer a legal way for these families to pay what they can to fulfill their obligations and hopefully, recover from their hardship.

HB 3174 deals with one aspect of bankruptcy law, the exemptions that allow a person to retain a bare minimum of assets so that they maybe able to continue providing for their family. The exemptions protect assets like the tools a person uses in their work, the vehicle they depend on for transportation to work and basic household goods. Under current Oregon law, the exemptions favor people who have home equity they want to protect but fail to adequately protect the assets of those who may have a greater need to protect other basic necessities.

If Oregon, like 21 other states, allowed a person to use the federal exemptions, a family that rents or has no equity in their home would be afforded the opportunity to use a small portion of the federal home equity exemption to retain a modest car or the tools that are necessary for work. This isn't a question of giving someone a more generous way out but instead a way to give all Oregon families the opportunity to protect the assets that will allow them a real chance at starting over.

I urge you to support HB 3174.

Sincerely,

The Rev. Peter L. Fritsch  
Episcopal Diocese of Oregon