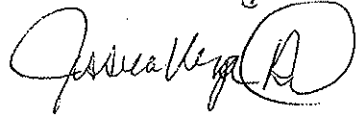


From the desk of  
Rep. Jessica Vega Pederson



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Relating to HB: 3174

April 19, 2013

Rep. Jessica Vega Pederson  
900 Court St. NE, H-490  
Salem, OR 97301

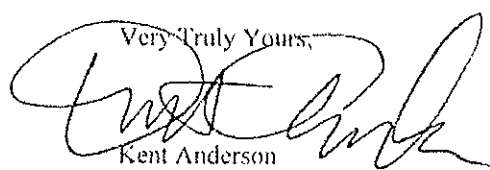
As you requested, I have included the exemption comparison chart I prepared in order to display the difference between common Oregon and the proposed alternative Federal exemptions.

Type of Exemption	Oregon	Federal
Homestead	\$40,000 or \$50,000 joint	\$22,975 or \$45,950
Wildcard	\$400	\$1,150 plus up to \$10,825 unused Homestead applied to any other property
Automobile	\$3,000	\$3,675
Household Goods	\$3,000	\$12,250
Tools of the Trade	\$5,000	\$2,300
Jewelry	Part of clothing	\$1,550
Clothing	\$1,800	None (wildcard)
Life Insurance	Full if estate is not beneficiary	Full if not matured
Life Insurance Loan Value	Full	\$12,250
Firearms	\$1,000 total value of one rifle or shotgun and one pistol	None (wildcard) pending HJR 5627 would allow \$3,000 for 1 firearm
Bodily Injury Claims	\$10,000	\$22,975
Professionally Prescribed Health Aids	Full	Full
Domestic Animals	\$1,000	None (wildcard)
Books, Pictures, Musical Instruments	\$600	None (wildcard)

The most commonly used exemptions are similar and roughly comparable in the federal and Oregon exemption statutes. The single most important difference between the two is the federal wildcard exemption available to individuals in bankruptcy under 11 USC §522(d)(5). The wildcard, which can be applied to enhance most other exemptions or to cover otherwise non-exempt assets such as firearms, permits the debtor to keep assets worth up to \$12,725 for an individual or \$25,450 for a married couple filing jointly. Oregon allows \$400. If HB 3174 is enacted, debtors in bankruptcy would be allowed to choose between one or the other set of exemptions and not both. In a joint filing, both husband and wife must select the same set of exemptions

Federal bankruptcy exemptions along with many other dollar limitations set forth in the bankruptcy code are automatically adjusted every three years pursuant to 11 USC §104(a) to keep pace with the Consumer Price Index for All Urban Consumers published by the US Department of Labor.

The exemptions listed in the above chart are specifically limited for use in bankruptcy and are only a partial list of the bankruptcy statutes contained in Title 11 of the United States Code. These exemptions are the most often used and most closely analogous to listed exemptions under Oregon law. Federal bankruptcy exemptions would be available only in bankruptcy and could not be used to avoid collection of a state court judgment outside bankruptcy.

Very Truly Yours,  
  
Kent Anderson