

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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**Action:** Do Pass  
**Vote:** 5 - 0 - 0  
**Yeas:** Close, Dingfelder, Kruse, Roblan, Prozanski  
**Nays:** 0  
**Exc.:** 0  
**Prepared By:** Anna Braun, Counsel  
**Meeting Dates:** 2/18, 4/4, 4/11

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**WHAT THE MEASURE DOES:** Exempts debtors' health savings accounts from collection actions and in bankruptcy. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Retirement funds like IRAs are currently exempt
- Surrounding states

**EFFECT OF COMMITTEE AMENDMENT** No amendment.

**BACKGROUND:** A debtor may protect certain assets from creditors in bankruptcy or as a defense to collection actions. The list, located at ORS 18.345, includes exemptions such as: 1) books, pictures, musical equipment to \$600 (may be doubled per couple), 2) clothes, jewelry, and personal items to \$1,800 (may be double per couple), 3) vehicles to \$3000 (\$3000 for each vehicle each per couple), the homestead exemption which is \$40,000 per individual, (\$50,000 per couple) and a "wildcard" exemption of \$400. Senate Bill 396 would exempt health savings accounts established under Section 220 or 223 of the Internal Revenue Code.