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STATE OF WEST VIRGINIA
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1996



ENROLLED

COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 62

(By Senator WHITLOW, ET AL)



PASSED MARCH 9, 1996
In Effect NINETY DAYS FROM Passage

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OFFICE OF THE CLERK
SENATE, WEST VIRGINIA

ENROLLED

COMMITTEE SUBSTITUTE
FOR

Senate Bill No. 62

(SENATORS WHITLOW, SCOTT, YODER, BOWMAN,
CHAFIN, WAGNER, BLATNIK, BOLEY, MINEAR, ROSS, LOVE,
TOMBLIN, MR. PRESIDENT, SHARPE, CRAIGO, JACKSON,
PLYMALE, BAILEY, DITTMAR, MANCHIN, BUCKALEW,
DEEM, KIMBLE, ANDERSON, OLIVERIO, DUGAN
AND WALKER, *original sponsors*)

[Passed March 9, 1996; in effect ninety days from passage.]

AN ACT to amend and reenact section three, article nine, chapter thirty-eight of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to homestead exemptions; providing that homesteads are exempt from attachment for debts for hospital or medical expenses incurred from a catastrophic illness or

injury; providing for exceptions; defining the term “catastrophic illness or injury” for purposes of section; and requiring the commission to promulgate legislative rules to establish procedures to effectuate such exemption.

Be it enacted by the Legislature of West Virginia:

That section three, article nine, chapter thirty-eight of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 9. HOMESTEAD EXEMPTIONS.

§38-9-3. Debts enforceable against homestead.

1 (a) As of the effective date of this article, a homestead
2 shall be exempt up to the value of five thousand dollars
3 from all debts and liabilities, except debts incurred for
4 the purchase money thereof, or for the erection of
5 permanent improvements thereon, and claims for taxes
6 or county or district or municipal levies due thereon.
7 The exemption herein granted by operation of law shall
8 not render the homestead exempt from liens and all
9 other debts and liabilities contracted and incurred prior
10 to the effective date of this article: *Provided*, That with
11 respect to a homestead exemption up to one thousand
12 dollars perfected by execution and recordation of a
13 written instrument as required under the former provi-
14 sions of this article, such exemption shall for all pur-
15 poses continue to be governed by such former provisions
16 of this article.

17 (b) In addition to the exemption provided in subsection
18 (a) of this section and subject to the provisions of section
19 eleven-c, article five, chapter nine of this code, effective
20 the first day of July, one thousand nine hundred ninety-
21 six, a homestead shall be exempt up to the value of seven
22 thousand five hundred dollars from all debts and liabili-
23 ties for hospital or medical expenses incurred from a
24 catastrophic illness or injury. For purposes of this
25 section, “catastrophic illness or injury” means a medi-
26 cally verified illness or injury for which any insurance or

27 other applicable benefits have been exhausted, and
28 which incapacitates and creates a financial hardship
29 upon the debtor, his or her spouse or sibling or depend-
30 ent of the debtor, who uses the homestead as a principal
31 home at the time the debt was incurred. The exemption
32 provided by this section shall expire upon the date of the
33 death of the debtor, the death of the debtor's spouse or
34 the death of a disabled dependent of the debtor who uses
35 the homestead as a principal home, whichever is the
36 later.

37 The exemption provided pursuant to this subsection by
38 operation of law shall not render the homestead exempt
39 from liens and all other debts and liabilities contracted
40 and incurred prior to the first day of July, one thousand
41 nine hundred ninety-six.

42 The tax commissioner shall propose for promulgation
43 of legislative rules, not inconsistent with this section, in
44 accordance with the provisions of article three, chapter
45 twenty-nine-a of this code, to establish the procedures
46 for exempting homesteads from debts and liabilities
47 incurred from a catastrophic illness or injury.

A handwritten signature in dark ink, appearing to be "Bob [unclear]", is written across the bottom of the page. The signature is somewhat stylized and overlaps the text of the final paragraph.

That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signature]
.....
Chairman Senate Committee

[Signature]
.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

[Signature]
.....
Clerk of the Senate

[Signature]
.....
Clerk of the House of Delegates

[Signature]
.....
President of the Senate

[Signature]
.....
Speaker House of Delegates

The within *is appended* this the *25th*
Month
day of, 1996.

[Signature]
.....
Governor

PRESENTED TO THE

GOV. ^{JR}

Date 3/21/96

Time 9:42 am