



Bill Number: S.B. 1543

Carroll Floor Amendment

Reference to: printed bill

Amendment drafted by: Leg Council

FLOOR AMENDMENT EXPLANATION

- 1. Specifies that a person's value in a homestead, rather than the person's equity interest in the homestead, is 100 percent exempt from a bankruptcy proceeding.**
- 2. Makes technical changes.**

CARROLL FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1543
(Reference to printed bill)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.
[Green underlining in brackets] indicates text added to new session law or text restoring existing law.
[GREEN STRIKEOUT IN BRACKETS] indicates new text removed from statute or previously enacted session law.
[Green strikeout in brackets] indicates text removed from existing statute, previously enacted session law or new session law.
<<Green carets>> indicate a section added to the bill.
<<Green strikeout in carets>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 Section 1. Section 33-1101, Arizona Revised Statutes, as amended by
3 proposition 209, election of November 8, 2022, is amended to read:

4 33-1101. Homestead exemptions; persons entitled to hold
5 homesteads; annual adjustment

6 A. Any person ~~the age of~~ WHO IS AT LEAST eighteen ~~or over~~ YEARS OF
7 AGE, married or single, AND who resides within ~~the~~ THIS state may hold as
8 a homestead exempt from attachment, execution and forced sale, not
9 exceeding \$400,000 in value, any one of the following:

10 1. The person's interest in real property in one compact body ~~upon~~
11 ON which exists a dwelling house in which the person resides.

12 2. The person's interest in one condominium or cooperative in which
13 the person resides.

14 3. A mobile home in which the person resides.

15 4. A mobile home in which the person resides plus the land ~~upon~~ ON
16 which that mobile home is located.

17 B. Only one homestead exemption may be held by a married couple or
18 a single person under this section. The value as specified in this
19 section refers to the equity of a single person or married couple. If a
20 married couple lived together in a dwelling house, a condominium or
21 cooperative, a mobile home or a mobile home plus land on which the mobile
22 home is located and are then divorced, the total exemption THAT IS allowed
23 for that residence to either or both persons shall not exceed \$400,000 in
24 value.

25 C. The homestead exemption, not exceeding the value provided for in
26 subsection A OF THIS SECTION, as adjusted by subsection D of this section,
27 automatically attaches to the person's interest in identifiable cash
28 proceeds from the voluntary or involuntary sale of the property. The
29 homestead exemption in identifiable cash proceeds continues for eighteen
30 months after the date of the sale of the property or until the person

1 establishes a new homestead with the proceeds, whichever period is
2 shorter. THE HOMESTEAD EXEMPTION DOES NOT ATTACH TO THE PERSON'S INTEREST
3 IN IDENTIFIABLE CASH PROCEEDS FROM REFINANCING THE HOMESTEAD PROPERTY.
4 Only one homestead exemption at a time may be held by a person under this
5 section.

6 D. The homestead exemption provided by this section shall be
7 adjusted annually beginning on January 1, 2024 and thereafter on January 1
8 of each successive year by the increase in the cost of living. The
9 increase in the cost of living shall be measured by the percentage
10 increase as of August of the immediately preceding year over the level as
11 of August of the previous year of the consumer price index (all urban
12 consumers, United States city average for all items) or its successor
13 index as published by the United States department of labor, bureau of
14 labor statistics, or its successor agency, with the amount of the
15 exemption rounded up to the nearest \$100.

16 E. FOR PURPOSES OF DETERMINING THE AMOUNT OF EQUITY IN A HOMESTEAD
17 PROPERTY THAT IS SOLD OR FOR DETERMINING WHETHER THE PROPERTY OWNER IS
18 RECEIVING CASH BACK FROM REFINANCING THE HOMESTEAD PROPERTY, THE PARTIES
19 MAY RELY ON THE VALUATION OF THE PROPERTY IN THE FINAL CLOSING DOCUMENT
20 DISCLOSURE THAT IS USED FOR THAT TRANSACTION.

21 F. FOR ANY CASE FILED UNDER UNITED STATES CODE TITLE 11, THE AMOUNT
22 OF THE DEBTOR'S HOMESTEAD EXEMPTION INITIALLY SHALL BE DETERMINED AS OF
23 THE DATE THE BANKRUPTCY PETITION IS FILED. IF THE ~~[DEBTOR'S EQUITY~~
24 ~~INTEREST]~~ [VALUE] IN THE HOMESTEAD IS LESS THAN OR EQUAL TO THE AMOUNT
25 PRESCRIBED IN SUBSECTION A OF THIS SECTION AT THE TIME OF FILING,
26 INCLUDING ANY INCREASE PRESCRIBED BY SUBSECTION D OF THIS SECTION, THE
27 ~~[DEBTOR'S EQUITY INTEREST]~~ [HOMESTEAD PROPERTY] IS [FULLY] [ONE HUNDRED
28 PERCENT] EXEMPT AND ANY INCREASE IN THE VALUE OF THE ~~[DEBTOR'S EQUITY~~
29 ~~INTEREST]~~ [HOMESTEAD] DURING THE PENDENCY OF THE BANKRUPTCY CASE IS
30 [FULLY] [ONE HUNDRED PERCENT] EXEMPT WITHOUT REGARD TO WHETHER THE
31 DEBTOR'S ~~[EQUITY]~~ INTEREST INCREASES ABOVE THE AMOUNT PRESCRIBED BY
32 SUBSECTION A OF THIS SECTION, INCLUDING ANY INCREASE PRESCRIBED BY
33 SUBSECTION D OF THIS SECTION.

34 Sec. 2. Repeal

35 Section 33-1101, Arizona Revised Statutes, as amended by Laws 2021,
36 chapter 368, section 3, is repealed.

37 Sec. 3. Applicability

38 Section 33-1101, Arizona Revised Statutes, as amended by section 1
39 of this act, applies to any petition for bankruptcy proceedings that is
40 filed after the effective date of this act.

41 Enroll and engross to conform

42 Amend title to conform

FRANK CARROLL

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C: MR