

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Dowd**

A Bill

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO PROVIDE FOR A CHOICE BETWEEN THE PROVISIONS OF
9 STATE LAW RELATING TO PROPERTY EXEMPTIONS AND THE
10 PROVISIONS OF FEDERAL LAW RELATING TO BANKRUPTCY
11 EXEMPTIONS IN SECTION 522(d) OF THE BANKRUPTCY CODE OF
12 1978, AS AMENDED (11 U.S.C. §522(d)); AND FOR OTHER
13 PURPOSES."

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15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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17 SECTION 1. Residents of this state having the right to claim exemptions
18 in a bankruptcy proceeding pursuant to 11 U.S.C. §522 shall have the right to
19 elect either (i) the property exemptions provided by the Constitution and the
20 laws of the State of Arkansas or (ii) the property exemptions provided by 11
21 U.S.C. §522(d).

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23 SECTION 2. Arkansas Code Annotated 16-66-217 (Section 1 of Act 419,
24 Acts of Arkansas, 1981) is hereby repealed.

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26 SECTION 3. All provisions of this act of a general and permanent nature
27 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
28 Revision Commission shall incorporate the same in the Code.

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30 SECTION 4. If any provision of this act or the application thereof to
31 any person or circumstance is held invalid, such invalidity shall not affect
32 other provisions or applications of the act which can be given effect without
33 the invalid provision or application, and to this end the provisions of this
34 act are declared to be severable.

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1 SECTION 5. All laws and parts of laws in conflict with this act are
2 hereby repealed.

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4 SECTION 6. Emergency. The courts of the United States, acting pursuant
5 to the Bankruptcy Code of 1978, as amended, have declared certain of the
6 provisions of Arkansas Code Annotated 16-66-218 (Section 2 of Act 419, Acts of
7 Arkansas, 1981) dealing with personal property exemptions to be
8 unconstitutional. The result of such decisions is that residents of Arkansas
9 who must file bankruptcy proceedings may be limited to the sum of five hundred
10 dollars (\$500) in personal property as provided by the Constitution of
11 Arkansas, even though there has not been any decision of the Supreme Court of
12 Arkansas as to a question arising under the Constitution of the State of
13 Arkansas. Therefore, in order to give the citizens of the State of Arkansas
14 an opportunity to enjoy the rights granted by the Federal Government, an
15 emergency is hereby declared to exist and this Act being necessary for the
16 immediate preservation of the public peace, health and safety shall be in full
17 force and effect from and after its passage and approval.

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