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WEST VIRGINIA LEGISLATURE

FIRST REGULAR SESSION, 2001



ENROLLED

House Bill No. 2527

(By Delegates Williams, Stemple, Carmichael,
Shaver, Perry, Swartzmiller and Harrison)



Passed April 12, 2001

In Effect from Passage

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H. B. 2527

(BY DELEGATES WILLIAMS, STEMPLER, CARMICHAEL,
SHAVER, PERRY, SWARTZMILLER AND HARRISON)

[Passed April 12, 2001; in effect from passage.]

AN ACT to amend and reenact article thirty, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to amend and reenact section four, article ten, chapter thirty-eight of said code, all relating to qualified state tuition programs; creating the West Virginia college prepaid tuition and savings program act to succeed the West Virginia college prepaid tuition trust act; legislative findings and purpose; defined terms; creating the West Virginia college prepaid tuition and savings program and board; board powers; continuing the prepaid tuition trust and fund; creating the savings plan trust and fund; renaming the prepaid tuition trust fund administrative account the college prepaid tuition and savings program administrative account and clarifying certain of its authorizations; reauthorizing the personal income tax modification; clarifying the reporting and audit requirements of the program; considerations for eligibility for state student financial aid; confidentiality requirements; authorization of rules; and adding savings plan fund payments to the list of property exempt from bankruptcy proceedings.

Be it enacted by the Legislature of West Virginia:

That article thirty, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that section four, article ten, chapter thirty-eight of said code be amended and reenacted, all to read as follows:

CHAPTER 18. EDUCATION.

ARTICLE 30. WEST VIRGINIA COLLEGE PREPAID TUITION AND SAVINGS PROGRAM ACT.

§18-30-1. Title.

1 This article is known and cited as the “West Virginia
2 College Prepaid Tuition and Savings Program Act”.

§18-30-2. Legislative findings and purpose.

1 The Legislature hereby finds and determines that enhancing
2 the accessibility and affordability of higher education for all
3 citizens of West Virginia will promote a well-educated and
4 financially secure population to the ultimate benefit of all
5 citizens of West Virginia, and that assisting individuals and
6 families in planning for future educational expenses by making
7 the tax incentives in 26 U.S.C. § 529 available to West Virgin-
8 ians are proper governmental functions and purposes of the
9 state.

10 The Legislature also finds that continuation of the prepaid
11 tuition plan and creation of a savings plan will further those
12 governmental functions and purposes. It is, therefore, the
13 legislative intent of this article to continue the prepaid tuition
14 plan and to enhance the plan by authorizing the creation of a
15 savings plan so that more students may attend eligible higher
16 education institutions.

§18-30-3. Definitions.

1 For the purposes of this article, the following terms have
2 the meanings ascribed to them, unless the context clearly
3 indicates otherwise or as otherwise provided in 26 U.S.C. §
4 529:

5 (a) "Account" means a prepaid tuition account or a savings
6 plan account established in accordance with this article.

7 (b) "Account owner" means the individual, corporation,
8 association, partnership, trust or other legal entity who enters
9 into a prepaid tuition contract and is obligated to make pay-
10 ments in accordance with the prepaid tuition contract or who
11 enters into a savings plan contract and invests money in a
12 savings plan account.

13 (c) "Beneficiary" means the individual designated as a
14 beneficiary at the time an account is established, the individual
15 designated as the beneficiary when beneficiaries are changed,
16 the individual entitled to receive distributions from an account,
17 and any individual designated by the account owner, his or her
18 agent or his or her estate in the event the beneficiary is unable
19 or unwilling to receive distributions under the terms of the
20 contract.

21 (d) "Board" means the board of trustees of the college
22 prepaid tuition and savings program as provided in section four
23 of this article.

24 (e) "Distribution" means any disbursement from an account
25 in accordance with 26 U.S.C. § 529.

26 (f) "Eligible educational institution" means an institution of
27 higher education that qualifies under 26 U.S.C. § 529 as an
28 eligible educational institution.

29 (g) "Prepaid tuition account" means an account established
30 by an account owner pursuant to this article in order for the
31 beneficiary to apply distributions in accordance with the
32 prepaid tuition plan.

33 (h) "Prepaid tuition contract" means a contract entered into
34 by the board and an account owner establishing a prepaid
35 tuition account.

36 (i) "Prepaid tuition plan" means the plan that contractually
37 guarantees payment of tuition at a West Virginia public eligible
38 educational institution.

39 (j) "Program" means the West Virginia college prepaid
40 tuition and savings program established under this article.

41 (k) "Qualified higher education expenses" mean higher
42 education expenses permitted under 26 U.S.C. § 529 for
43 enrollment or attendance of a beneficiary at an eligible educa-
44 tional institution.

45 (l) "Savings plan" means the plan that allows account
46 distributions for qualified higher educational expenses.

47 (m) "Savings plan account" means an account established
48 by an account owner pursuant to this article in order for the
49 beneficiary to apply distributions toward qualified higher
50 education expenses at eligible educational institutions.

51 (n) "Savings plan contract" means a contract entered into
52 by the board or its agent, if any, and an account owner estab-
53 lishing a savings plan account.

54 (o) "Treasurer" means the West Virginia state treasurer.

55 (p) "Tuition" means the quarter, semester or term under-
56 graduate charges imposed by an eligible educational institution

57 and all mandatory fees required as a condition of enrollment by
58 all students for full-time attendance.

§18-30-4. Creation of program; board; members; terms; compensation; proceedings generally.

1 (a) The West Virginia college prepaid tuition and savings
2 program is hereby created. The program consists of a prepaid
3 tuition plan and a savings plan.

4 (b) The board of trustees of the prepaid tuition trust fund in
5 existence immediately prior to the effective date of this section
6 shall become the board of the college prepaid tuition and
7 savings program and all powers, rights and responsibilities of
8 the board of trustees of the prepaid tuition trust fund are
9 transferred to the board of the college prepaid tuition and
10 savings program. With the exception of the members of the
11 board appointed pursuant to the provisions of subdivision (3) of
12 subsection (c) of this section, the members of the board of
13 trustees of the prepaid tuition trust fund shall become the
14 members of the board of the college prepaid tuition and savings
15 program on the effective date of this section and shall, for all
16 purposes, serve the same terms that they would have served had
17 the board of trustees of the prepaid tuition trust fund continued.

18 (c) The board consists of nine members and includes the
19 following:

20 (1) The secretary of education and the arts, or his or her
21 designee;

22 (2) The state treasurer, or his or her designee;

23 (3) Two representatives of the higher education policy
24 commission, who may or may not be members of the higher
25 education policy commission, appointed by the commission
26 who serve as voting members of the board, one of whom shall

27 represent the interests of the universities of West Virginia and
28 one of whom shall represent the interests of the state colleges
29 and community and technical colleges of West Virginia. The
30 members appointed pursuant to the provisions of this subdivi-
31 sion shall assume the positions heretofore held by the represen-
32 tatives of the university system board of trustees and the state
33 college system board of directors in existence prior to July 1,
34 2000;

35 (4) Five other members, appointed by the Governor, with
36 knowledge, skill and experience in an academic, business or
37 financial field, to be appointed as follows:

38 (A) A private citizen not employed by, or an officer of, the
39 state or any political subdivision of the state appointed from
40 one or more nominees of the speaker of the House of Delegates;

41 (B) A private citizen not employed by, or an officer of, the
42 state or any political subdivision of the state appointed from
43 one or more nominees of the president of the Senate;

44 (C) One member representing the interests of private
45 institutions of higher education located in this state appointed
46 from one or more nominees of the West Virginia association of
47 private colleges; and

48 (D) Two members representing the public.

49 (d) The public members and the member representing the
50 interests of private institutions of higher education are ap-
51 pointed by the governor with the advice and consent of the
52 Senate.

53 (e) Only state residents are eligible for appointment to the
54 board.

55 (f) Members appointed by the governor serve a term of five
56 years and are eligible for reappointment at the expiration of
57 their terms. In the event of a vacancy among appointed mem-

58 bers, the governor shall appoint a person representing the same
59 interests to fill the unexpired term. Of the initial appointments
60 to the board of trustees of the prepaid tuition trust fund in
61 existence immediately prior to the effective date of this section,
62 the governor shall appoint one member to a one-year term, one
63 member to a two-year term, one member to a three-year term,
64 one member to a four-year term, and one member to a five-year
65 term. Thereafter, all terms are five years.

66 (g) Members of the board serve without compensation. The
67 treasurer may pay all expenses, including travel expenses,
68 actually incurred by board members in the conduct of their
69 official duties. Expense payments are made from the college
70 prepaid tuition and savings program administrative account, and
71 are made at the same rate paid to state employees.

72 (h) The treasurer may provide support staff and office
73 space for the board.

74 (i) The treasurer is the chairman and presiding officer of
75 the board, and may appoint the employees the board considers
76 advisable or necessary. A majority of the members of the board
77 constitute a quorum for the transaction of the business of the
78 board.

§18-30-5. Powers of the board.

1 In addition to the powers granted by any other provision of
2 this article, the board has the powers necessary or appropriate
3 to carry out the provisions and objectives of this article, other
4 methods of financing post-secondary education as relate to the
5 program, and the powers delegated by any other law of the state
6 or any executive order of the state. The board may also:

7 (a) Adopt and amend bylaws;

8 (b) Sue and be sued;

9 (c) Execute contracts and other instruments for necessary
10 goods and services, employ necessary personnel and engage the
11 services of private consultants, actuaries, auditors, counsel,
12 managers, trustees; and any other contractor or professional
13 needed. Selection of these services is not subject to the provi-
14 sions of article three, chapter five-a of this code;

15 (d) Operate a prepaid tuition plan in accordance with this
16 article and 26 U.S.C. § 529;

17 (e) Operate a savings plan in accordance with this article
18 and 26 U.S.C. § 529;

19 (f) Develop and impose any requirements, policies,
20 procedures and guidelines to implement and manage the
21 program;

22 (g) Impose reasonable requirements for residency for
23 beneficiaries at the time of purchase of a prepaid tuition
24 contract. However, nothing in this subdivision establishes
25 residency requirements for matriculation at state eligible
26 educational institutions;

27 (h) Assess, collect and expend administrative fees, charges
28 and penalties;

29 (i) Authorize the assessment, collection and retention of
30 fees and charges against the amounts paid into and the earnings
31 on the trust funds by a financial institution, investment man-
32 ager, fund manager, West Virginia investment management
33 board, or other professional managing or investing the trust
34 funds and accounts;

35 (j) Invest and reinvest any of the funds and accounts under
36 the board's control with a financial institution, an investment
37 manager, a fund manager, the West Virginia investment
38 management board or other professional investing the funds and

39 accounts. Investments made under this article shall be made in
40 accordance with the provisions of article six-c, chapter forty-
41 four of this code, the West Virginia uniform prudent investor
42 act. No board member, nor any person, financial institution,
43 investment manager, fund manager or the West Virginia
44 investment management board to whom the board delegates any
45 of its investment authority who acts within the standard of care
46 set forth in this section is personally liable for losses suffered
47 by the program on investments made pursuant to this article;

48 (k) Solicit and accept gifts, including bequests or other
49 testamentary gifts made by will, trust or other disposition,
50 grants, loans, aid, and property, real or personal of any nature
51 and from any source, or to participate in any other way in any
52 federal, state or local governmental programs in carrying out
53 the purposes of this article. The board shall use the property
54 received to effectuate the desires of the donor, and shall convert
55 the property received into cash within ninety days of receipt;

56 (l) Propose legislative rules for promulgation in accordance
57 with the provisions of article three-a, chapter twenty-nine-a of
58 this code;

59 (m) Make all necessary and appropriate arrangements with
60 eligible educational institutions in order to fulfill its obligations
61 under the prepaid tuition contracts and the savings plan
62 contracts; and

63 (n) Establish a direct-support organization which is a West
64 Virginia corporation, not for profit, organized and operated to
65 receive, hold, invest and administer property and make expendi-
66 tures to or for the benefit of the purposes of this article, if the
67 board determines a need for the organization exists. The board
68 may authorize the direct-support organization to use program
69 facilities and property, except money. The board may invest
70 funds of the direct-support organization.

§18-30-6. West Virginia prepaid tuition trust.

1 (a) The “Prepaid Tuition Trust Fund” is continued within
2 the accounts held by the state treasurer for administration by the
3 board.

4 (b) The prepaid tuition trust fund shall receive all payments
5 from account owners on behalf of beneficiaries of prepaid
6 tuition contracts or from any other source, public or private.
7 Earnings derived from the investment of moneys in the prepaid
8 tuition trust fund shall remain in the prepaid tuition trust fund
9 held in trust in the same manner as payments, except as
10 refunded, applied for purposes of the beneficiaries, and applied
11 for purposes of maintaining and administering the prepaid
12 tuition plan.

13 (c) The corpus, assets and earnings of the prepaid tuition
14 trust fund do not constitute public funds of the state and are
15 available solely for carrying out the purposes of this article.
16 Any contract entered into by or any obligation of the board on
17 behalf of and for the benefit of the prepaid tuition plan does not
18 constitute a debt of the state, but is solely an obligation of the
19 prepaid tuition trust fund. The state has no obligation to any
20 designated beneficiary or any other person as a result of the
21 prepaid tuition plan. All amounts payable from the prepaid
22 tuition trust fund are limited to amounts available in the prepaid
23 tuition trust fund.

24 (d) Nothing in this article or in any prepaid tuition contract
25 is a promise or guarantee of admission to, continued enrollment
26 in, or graduation from an eligible educational institution.

27 (e) The requirements of the provisions of chapter thirty-
28 two of this code do not apply to the sale of a prepaid tuition
29 contract by the board, its employees and agents.

30 (f) The prepaid tuition plan and the prepaid tuition trust
31 fund shall continue in existence until terminated by the Legisla-

32 ture as it determines or by the board upon determining that
33 continued operation is infeasible. Upon termination of the plan
34 and after payment of all fees, charges, expenses and penalties,
35 the assets of the prepaid tuition trust fund are paid to current
36 account owners, to the extent possible, on a pro rata basis as
37 their interests may appear, and any unclaimed assets in the
38 program shall revert to the state in accordance with the uniform
39 unclaimed property act in article eight, chapter thirty-six of this
40 code.

41 (g) The board shall have the actuarial soundness of the
42 prepaid tuition trust fund evaluated annually to ensure that
43 sufficient funds are deposited in the prepaid tuition trust fund
44 to meet obligations. If the board finds that additional contribu-
45 tions are needed to preserve the actuarial soundness of the
46 prepaid tuition trust fund, it may adjust the terms of preexisting
47 and subsequent prepaid tuition contracts to ensure the prepaid
48 tuition trust fund's soundness: *Provided*, That any necessary
49 adjustment to preexisting contracts are only assessed on future
50 payments and not retroactively upon previous payments made
51 by the account owners or donors to the prepaid tuition trust
52 fund.

53 (h) The board shall build and maintain in the prepaid
54 tuition trust fund an actuarial surplus, at a level recommended
55 by the actuaries, to ensure appropriate funding for the trust
56 fund.

57 (i) On or before the first day of December of each year, the
58 chairman of the board shall submit to the governor the amount
59 of any deficiency certified by an actuary as needed to meet the
60 current obligations of the prepaid tuition trust fund for the next
61 fiscal year. Notwithstanding any provision of this code to the
62 contrary, the governor, after consultation with the budget
63 section of the finance division of the department of administra-
64 tion, may request an appropriation to the board in the amount

65 of the deficiency, to meet the current obligations of the prepaid
66 tuition trust fund, in the budget presented to the next session of
67 the Legislature for its consideration. The Legislature is not
68 required to make any appropriation pursuant to this subsection,
69 and the amount of the deficiency is not a debt or a liability of
70 the state. As used in this section, “current obligations of the
71 prepaid tuition trust fund” means amounts required for the
72 payment of contract distributions or other obligations of the
73 prepaid tuition trust fund, the maintenance of the fund, and
74 operating expenses for the current fiscal year. Nothing in this
75 subsection creates an obligation of state general revenue funds
76 or requires any level of funding by the Legislature.

77 (j) To fulfill the charitable and public purposes of this
78 article, neither the earnings nor the corpus of the prepaid tuition
79 trust fund is subject to taxation by the state or any of its
80 political subdivisions.

81 (k) Notwithstanding any provision of this code to the
82 contrary, money in the prepaid tuition trust fund is exempt from
83 creditor process and not subject to attachment, garnishment or
84 other process; is not available as security or collateral for any
85 loan, or otherwise subject to alienation, sale, transfer, assign-
86 ment, pledge, encumbrance or charge; and is not subject to
87 seizure, taking, appropriation or application by any legal or
88 equitable process or operation of law to pay any debt or liability
89 of any account owner, beneficiary or successor in interest.

§18-30-7. West Virginia savings plan trust.

1 (a) The board may establish a savings plan trust, and may
2 establish a savings plan trust fund account, titled the “Savings
3 Plan Trust Fund”, within the accounts held by the treasurer or
4 with a financial institution, an investment manager, a fund
5 manager, the West Virginia investment management board or
6 any other person for the purpose of managing and investing the

7 trust fund. Assets of the savings plan trust are held in trust for
8 account owners and beneficiaries.

9 (b) The savings plan trust fund shall receive all moneys
10 from account owners on behalf of beneficiaries of savings plan
11 contracts or from any other source, public or private. Earnings
12 derived from the investment of the moneys in the college
13 savings trust fund shall remain in the fund, held in trust in the
14 same manner as contributions, except as refunded, applied for
15 purposes of the beneficiaries, and applied for purposes of
16 maintaining and administering the savings plan.

17 (c) The corpus, assets and earnings of the savings plan trust
18 fund do not constitute public funds of the state and are available
19 solely for carrying out the purposes of this article. Any contract
20 entered into by or any obligation of the board on behalf of and
21 for the benefit of the savings plan does not constitute a debt or
22 obligation of the state, but is solely an obligation of the savings
23 plan trust fund. The state has no obligation to any designated
24 beneficiary or any other person as a result of the savings plan.
25 All amounts payable from the savings plan trust fund are
26 limited to amounts available in the fund.

27 (d) Nothing in this article or in any savings plan contract is
28 a promise or guarantee that the distributions available for a
29 beneficiary will cover the cost of qualified higher education
30 expenses at an eligible educational institution, or as a promise
31 or guarantee of admission to, continued enrollment in, or
32 graduation from an eligible higher education institution.

33 (e) The requirements of the provisions of chapter thirty-
34 two of this code do not apply to the sale of a savings plan
35 contract by the board, its employees and agents.

36 (f) The savings plan and any savings plan trust fund shall
37 continue in existence until terminated by the Legislature as it
38 determines or by the board upon determining that continued

39 operation is infeasible. Upon termination of the plan, the
40 balances of savings plan accounts, less any distributions,
41 refunds, fees, charges and penalties, are sent to account owners,
42 to the extent possible, and any unclaimed assets in the program
43 shall revert to the state in accordance with the uniform un-
44 claimed property act in article eight, chapter thirty-six of this
45 code.

46 (g) The state pledges to account owners and beneficiaries
47 of the savings plans that the state will not limit or alter the
48 rights under this article which are vested until the obligations
49 are met and discharged. However, nothing in this subsection
50 prohibits the Legislature from discontinuing or terminating a
51 savings plan.

52 (h) In order to fulfill the charitable and public purposes of
53 this article, neither the earnings nor the corpus of the savings
54 plan trust fund is subject to taxation by the state or any of its
55 political subdivisions.

56 (i) Notwithstanding any provision of this code to the
57 contrary, money in the savings plan trust fund is exempt from
58 creditor process and not subject to attachment, garnishment, or
59 other process; is not available as security or collateral for any
60 loan, or otherwise subject to alienation, sale, transfer, assign-
61 ment, pledge, encumbrance or charge; and is not subject to
62 seizure, taking, appropriation or application by any legal or
63 equitable process or operation of law to pay any debt or liability
64 of any account owner, beneficiary or successor in interest.

§18-30-8. College prepaid tuition and savings program administrative account.

1 There is hereby created a separate account within the state
2 treasurer's office titled the "college prepaid tuition and savings
3 program administrative account" for the purposes of imple-
4 menting, operating and maintaining the trust funds and program

5 created by this article. On the effective date of this section, all
6 moneys in the prepaid tuition trust fund administrative account
7 are hereby transferred to the college prepaid tuition and savings
8 program administrative account.

9 The administrative account shall receive all fees, charges
10 and penalties collected by the board. Expenditures from the
11 fund are authorized from collections subject to appropriations
12 made by the Legislature.

§18-30-9. Income tax deduction for purchasers.

1 As provided in section twelve-a, article twenty-one, chapter
2 eleven of this code, any payment made under a prepaid tuition
3 contract or other college savings plan administered by the
4 board, pursuant to the provisions of this article, is eligible for
5 a tax deduction.

§18-30-10. Reports and account; annual audit.

1 (a) In addition to any other requirements of this article, the
2 board shall:

3 (1) Provide annually summary information on the financial
4 condition of the prepaid tuition trust fund and statements on the
5 savings plan accounts to the respective account owners;

6 (2) Prepare, or have prepared, a quarterly report on the
7 status of the program, including the trust funds and the adminis-
8 trative account, and provide a copy of the report to the joint
9 committee on government and finance and the legislative
10 oversight commission on education accountability; and

11 (3) Prepare, or have prepared, an annual actuarial report of
12 the prepaid tuition trust fund and transmit a copy of the report
13 to the governor, the president of the Senate, the speaker of the
14 House of Delegates and the legislative oversight commission on
15 education accountability.

16 (b) All accounts of the board, including the trust funds, are
17 subject to an annual external audit by an accounting firm,
18 selected by the board, of which all members or partners
19 assigned to head the audit are members of the American
20 institute of certified public accountants. The audit shall comply
21 with the requirements of section thirty-three, article two,
22 chapter five-a of this code.

§18-30-11. Financial aid eligibility.

1 The calculations of a beneficiary's eligibility for state
2 student financial aid for higher education may not include or
3 consider the value of distributions available in a prepaid tuition
4 account or the value of distributions available in a savings plan
5 account.

§18-30-12. Confidentiality.

1 Any information that would tend to disclose the identity of
2 a beneficiary, account owner or donor is exempt from the
3 provisions of chapter twenty-nine-b of this code. Nothing in this
4 section prohibits disclosure or publication of information in a
5 statistical or other form which does not identify the individuals
6 involved or provide personal information. Account owners are
7 permitted access to their own personal information.

§18-30-13. Board of trustees; authorization of rules.

1 The legislative rules filed in the state register on the
2 thirtieth day of September, one thousand nine hundred ninety-
3 seven, modified by the board of trustees of the West Virginia
4 prepaid tuition trust fund to meet the objections of the legisla-
5 tive oversight commission on education accountability and
6 refiled in the state register on the thirtieth day of January, one
7 thousand nine hundred ninety-eight, relating to the West
8 Virginia prepaid tuition trust fund (rules for the West Virginia
9 prepaid tuition trust fund), are authorized.

CHAPTER 38. LIENS.

ARTICLE 10. FEDERAL TAX LIENS; ORDERS AND DECREES IN BANKRUPTCY.

§38-10-4. Exemptions of property in bankruptcy proceedings.

1 Pursuant to the provisions of 11 U.S.C. § 522(b)(1), this
2 state specifically does not authorize debtors who are domiciled
3 in this state to exempt the property specified under the provi-
4 sions of 11 U.S.C. § 522(d).

5 Any person who files a petition under the federal bank-
6 ruptcy law may exempt from property of the estate in a bank-
7 ruptcy proceeding the following property:

8 (a) The debtor's interest, not to exceed fifteen thousand
9 dollars in value, in real property or personal property that the
10 debtor or a dependent of the debtor uses as a residence, in a
11 cooperative that owns property that the debtor or a dependent
12 of the debtor uses as a residence or in a burial plot for the
13 debtor or a dependent of the debtor.

14 (b) The debtor's interest, not to exceed two thousand four
15 hundred dollars in value, in one motor vehicle.

16 (c) The debtor's interest, not to exceed four hundred
17 dollars in value in any particular item, in household furnishings,
18 household goods, wearing apparel, appliances, books, animals,
19 crops or musical instruments, that are held primarily for the
20 personal, family or household use of the debtor or a dependent
21 of the debtor: *Provided*, That the total amount of personal
22 property exempted under this subsection may not exceed eight
23 thousand dollars.

24 (d) The debtor's interest, not to exceed one thousand
25 dollars in value, in jewelry held primarily for the personal,
26 family or household use of the debtor or a dependent of the
27 debtor.

28 (e) The debtor's interest, not to exceed in value eight
29 hundred dollars plus any unused amount of the exemption
30 provided under subsection (a) of this section in any property.

31 (f) The debtor's interest, not to exceed one thousand five
32 hundred dollars in value, in any implements, professional books
33 or tools of the trade of the debtor or the trade of a dependent of
34 the debtor.

35 (g) Any unmeasured life insurance contract owned by the
36 debtor, other than a credit life insurance contract.

37 (h) The debtor's interest, not to exceed in value eight
38 thousand dollars less any amount of property of the estate
39 transferred in the manner specified in 11 U.S.C. § 542(d), in
40 any accrued dividend or interest under, or loan value of, any
41 unmeasured life insurance contract owned by the debtor under
42 which the insured is the debtor or an individual of whom the
43 debtor is a dependent.

44 (i) Professionally prescribed health aids for the debtor or
45 a dependent of the debtor.

46 (j) The debtor's right to receive:

47 (1) A social security benefit, unemployment compensation
48 or a local public assistance benefit;

49 (2) A veterans' benefit;

50 (3) A disability, illness or unemployment benefit;

51 (4) Alimony, support or separate maintenance, to the extent
52 reasonably necessary for the support of the debtor and any
53 dependent of the debtor;

54 (5) A payment under a stock bonus, pension, profit sharing,
55 annuity or similar plan or contract on account of illness,

56 disability, death, age or length of service, to the extent reason-
57 ably necessary for the support of the debtor and any dependent
58 of the debtor, and funds on deposit in an individual retirement
59 account (IRA), including a simplified employee pension (SEP)
60 regardless of the amount of funds, unless:

61 (A) The plan or contract was established by or under the
62 auspices of an insider that employed the debtor at the time the
63 debtor's rights under the plan or contract arose;

64 (B) The payment is on account of age or length of service;

65 (C) The plan or contract does not qualify under Section
66 401(a), 403(a), 403(b), 408 or 409 of the Internal Revenue Code
67 of 1986; and

68 (D) With respect to an individual retirement account,
69 including a simplified employee pension, the amount is subject
70 to the excise tax on excess contributions under section 4973
71 and/or section 4979 of the Internal Revenue Code of 1986, or
72 any successor provisions, regardless of whether the tax is paid.

73 (k) The debtor's right to receive, or property that is trace-
74 able to:

75 (1) An award under a crime victim's reparation law;

76 (2) A payment on account of the wrongful death of an
77 individual of whom the debtor was a dependent, to the extent
78 reasonably necessary for the support of the debtor and any
79 dependent of the debtor;

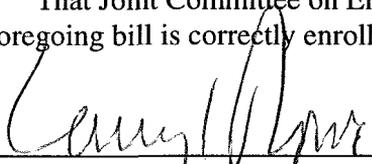
80 (3) A payment under a life insurance contract that insured
81 the life of an individual of whom the debtor was a dependent on
82 the date of the individual's death, to the extent reasonably
83 necessary for the support of the debtor and any dependent of the
84 debtor;

85 (4) A payment, not to exceed fifteen thousand dollars on
86 account of personal bodily injury, not including pain and
87 suffering or compensation for actual pecuniary loss, of the
88 debtor or an individual of whom the debtor is a dependent;

89 (5) A payment in compensation of loss of future earnings
90 of the debtor or an individual of whom the debtor is or was a
91 dependent, to the extent reasonably necessary for the support of
92 the debtor and any dependent of the debtor;

93 (6) Payments made to the prepaid tuition trust fund or to the
94 savings plan trust fund, including earnings, in accordance with
95 article thirty, chapter eighteen of this code on behalf of any
96 beneficiary.

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



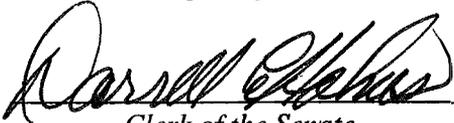
Chairman Senate Committee



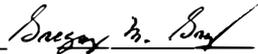
Chairman House Committee

Originating in the House.

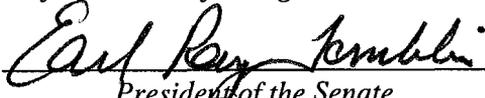
In effect from passage.



Clerk of the Senate



Clerk of the House of Delegates

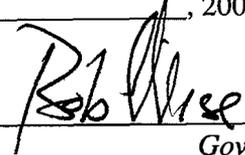


President of the Senate



Speaker of the House of Delegates

The within is approved this the 2nd
day of May, 2001.



Governor

PRESENTED TO THE

GOVERNOR

Date

4/24/01

Time

4:45 pm