

CHAPTER 175

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**COURTS**

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**HOUSE BILL 95-1226**

BY REPRESENTATIVES McPherson, Chavez, Chlouber, and DeGette;  
also SENATORS Coffman, Ament, Schroeder, Wattenberg, Mutzebaugh, Pascoe, and Perlmutter.

**AN ACT**

**CONCERNING LIFE INSURANCE PROCEEDS EXEMPT FROM JUDICIAL EXECUTION.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** 13-54-102 (1) (I), Colorado Revised Statutes, 1987 Repl. Vol., is amended to read:

**13-54-102. Property exempt.** (1) The following property is exempt from levy and sale under writ of attachment or writ of execution:

(I) (I) (A) The ~~avails~~ CASH SURRENDER VALUE of policies or certificates of life insurance to the extent of ~~five~~ TWENTY-FIVE thousand dollars FOR WRITS OF ATTACHMENT OR WRITS OF EXECUTION ISSUED AGAINST THE INSURED; EXCEPT THAT THERE IS NO EXEMPTION FOR INCREASES IN CASH VALUE FROM MONEYS CONTRIBUTED TO A POLICY OR CERTIFICATE OF LIFE INSURANCE DURING THE TWENTY-FOUR MONTHS PRIOR TO THE ISSUANCE OF SUCH WRIT OF ATTACHMENT OR WRIT OF EXECUTION; AND

(B) THE PROCEEDS OF POLICIES OR CERTIFICATES OF LIFE INSURANCE PAID UPON THE DEATH OF THE INSURED TO A DESIGNATED BENEFICIARY, WITHOUT LIMITATION AS TO AMOUNT, FOR WRITS OF ATTACHMENT OR WRITS OF EXECUTION ISSUED AGAINST THE INSURED.

(II) THE PROVISIONS OF THIS PARAGRAPH (I) SHALL NOT BE INTERPRETED TO PROVIDE AN EXEMPTION FOR ATTACHMENT OR EXECUTION OF THE PROCEEDS OF ANY POLICY OR CERTIFICATE OF LIFE INSURANCE TO PAY THE DEBTS OF A BENEFICIARY OF SUCH POLICY OR CERTIFICATE.

(III) THE PROVISIONS OF THIS PARAGRAPH (I) SHALL NOT PROVIDE AN EXEMPTION

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

FOR ATTACHMENT OR EXECUTION OF THE PROCEEDS OF ANY POLICY OR CERTIFICATE OF LIFE INSURANCE IF THE BENEFICIARY OF SUCH POLICY OR CERTIFICATE IS THE ESTATE OF THE INSURED.

**SECTION 2. Effective date - applicability.** This act shall take effect July 1, 1995, and shall apply to debts incurred on or after said date.

**SECTION 3. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 23, 1995