

SECOND REGULAR SESSION

# HOUSE BILL NO. 1657

## 103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE STEINMEYER.

4202H.01I

JOSEPH ENGLER, Chief Clerk

### AN ACT

To amend chapter 513, RSMo, by adding thereto one new section relating to the protection of primary residences for certain persons, with penalty provisions.

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 513, RSMo, is amended by adding thereto one new section, to be known as section 513.478, to read as follows:

**513.478. 1. As used in the section, the following terms mean:**

**(1) "Eligible person":**

**(a) Any resident of this state sixty-two years of age or older receiving Social Security retirement or Supplemental Security Income (SSI) benefits under Title II or XVI of the Social Security Act; or**

**(b) Any resident of this state who is an honorably discharged veteran of the Armed Forces of the United States receiving compensation, pension, or disability benefits administered under Title 38 of the United States Code;**

**(2) "Primary residence", the dwelling and contiguous real property owned and occupied by an eligible person as his or her principal home;**

**(3) "Protected income", funds derived from Social Security benefits or veterans' disability compensation, whether directly received or used to make mortgage or property-related payments.**

**2. (1) No primary residence owned and occupied by an eligible person shall be subject to attachment, execution, levy, garnishment, lien, or forced sale under any legal or equitable process arising from a civil judgment or debt if the mortgage, tax,**

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 insurance, or maintenance payments on the primary residence are made in whole or in  
18 part with protected income.

19 (2) This exemption shall apply regardless of the commingling of protected funds  
20 with other funds, so long as the eligible person can demonstrate, through reasonable  
21 documentation, that protected income is regularly applied to the primary residence's  
22 expenses.

23 (3) The exemption established under this subsection shall be in addition to and  
24 independent of any other homestead exemption provided under section 513.475 or other  
25 law.

26 3. The exemption established under this section shall not apply to:

27 (1) Property tax liens owed to the state or a political subdivision;

28 (2) Mortgages or deeds of trust voluntarily executed by the homeowner; or

29 (3) Federally authorized offsets for child support, alimony, or criminal  
30 restitution.

31 4. (1) In any civil proceeding in which a creditor seeks to execute a judgment  
32 against real property, the court shall, upon claim by the debtor or the debtor's  
33 representative, hold a hearing to determine whether the exemption applies.

34 (2) The eligible person shall submit evidence of age, veteran status, and proof of  
35 protected income.

36 (3) Upon finding that the property qualifies for an exemption under this section,  
37 the court shall issue an order permanently enjoining any sale, levy, or lien enforcement  
38 against the residence.

39 5. (1) Any creditor, collection agency, or legal entity that knowingly initiates or  
40 continues with an enforcement action in violation of this section shall be liable for:

41 (a) Actual damages;

42 (b) Statutory damages of not less than two thousand five hundred dollars per  
43 occurrence; and

44 (c) Reasonable attorney's fees and court costs.

45 (2) The attorney general shall have authority to bring civil actions for injunctive  
46 relief or penalties for violations of this section.

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