

**SENATE SUBSTITUTE AMENDMENT 1,
TO 2003 SENATE BILL 504**

March 9, 2004 – Offered by Senator SCHULTZ.

1 **AN ACT** *to renumber and amend* 815.18 (3) (f); *to amend* 815.18 (3) (f) (title);
2 and *to create* 815.18 (2) (am), 815.18 (3) (f) 1. and 815.18 (3) (f) 3. of the statutes;
3 **relating to:** life insurance and annuity contract exemptions from creditor
4 claims.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

5 **SECTION 1.** 815.18 (2) (am) of the statutes is created to read:
6 815.18 (2) (am) “Annuity” means a series of payments payable during the life
7 of the annuitant or during a specific period.

8 **SECTION 2.** 815.18 (3) (f) (title) of the statutes is amended to read:
9 815.18 (3) (f) (title) *Life insurance and annuities.*

10 **SECTION 3.** 815.18 (3) (f) of the statutes is renumbered 815.18 (3) (f) 2. and
11 amended to read:

1 815.18 (3) (f) 2. ~~Any~~ Except as provided in subd. 3. and par. (j), any unmatu-
2 red life insurance or annuity contract owned by the debtor and insuring the debtor, the
3 debtor's dependent, or an individual of whom the debtor is a dependent, other than
4 a credit life insurance contract, and the debtor's aggregate interest, ~~not to exceed~~
5 \$4,000 ~~in value~~, in any accrued dividends, interest, or loan value of all unmatu-
6 red life insurance or annuity contracts owned by the debtor and insuring the debtor, the
7 debtor's dependent, or an individual of whom the debtor is a dependent.

8 **SECTION 4.** 815.18 (3) (f) 1. of the statutes is created to read:

9 815.18 (3) (f) 1. In this paragraph, "applicable date" means the earlier of the
10 following:

11 a. The date on which the exemption is claimed.

12 b. The date, if any, that the cause of action was filed that resulted in the
13 judgment with respect to which the execution order was issued.

14 **SECTION 5.** 815.18 (3) (f) 3. of the statutes is created to read:

15 815.18 (3) (f) 3. a. If the life insurance or annuity contract was issued less than
16 24 months before the applicable date, the exemption under this paragraph may not
17 exceed \$4,000.

18 b. If the life insurance or annuity contract was issued at least 24 months but
19 funded less than 24 months before the applicable date, the exemption under this
20 paragraph is limited to the value of the contract the day before the first funding that
21 occurred less than 24 months before the applicable date and the lesser of either the
22 difference between the value of the contract the day before the first funding that
23 occurred less than 24 months before the applicable date and the value of the contract
24 on the applicable date or \$4,000.

25 **SECTION 6. Initial applicability.**

