



Delaware House of Representatives House Majority Caucus

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HOUSE PASSES BILL TO PROTECT HOMEOWNERS' EQUITY

SB 157 would increase amount owner could protect to \$125,000

DOVER – The House of Representatives passed legislation on Thursday that would more than double the amount of equity that a homeowner could protect in a bankruptcy proceeding.

Senate Bill 157, which passed both chambers unanimously, would make Delaware law consistent with federal law in protecting up to \$125,000 of a debtor's equity in their principal residence during bankruptcy. Currently, a homeowner could only protect \$50,000 of equity.

“We hope that this cuts down on foreclosures and allows people to have some stability and keep some owners in their homes,” said Rep. Helene M. Keeley, D-Wilmington South, who is the prime House sponsor of the bill. “This is just another tool in the toolbox for families facing difficult decisions in an economy that continues to present financial challenges.”

Senate Bill 157 now goes to Governor Jack Markell for his signature.

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