

209 PROPOSITION

AN INITIATIVE MEASURE

AMENDING SECTIONS 12-1598.10, 33-1101, 33-1123, 33-1125, 33-1126, 33-1131 AND 44-1201, ARIZONA REVISED STATUTES; RELATING TO PREDATORY DEBT COLLECTION PROTECTION.

Be it enacted by the People of the State of Arizona:

Section 1. Section 12-1598.10, Arizona Revised Statutes, is amended to read:

12-1598.10. Continuing lien on earnings; order

A. If it appears from the answer of the garnishee that the judgment debtor was an employee of the garnishee, or that the garnishee otherwise owed earnings to the judgment debtor when the writ was served, or earnings would be owed within sixty days thereafter and there is no timely written objection to the writ or the answer of the garnishee filed, on application by the judgment creditor the court shall order that the nonexempt earnings, if any, withheld by the garnishee after service of the writ be transferred to the judgment creditor who is entitled to such monies subject to the judgment debtor's right to objection and hearing pursuant to this article. The court shall further order that the garnishment is a continuing lien against the nonexempt earnings of the judgment debtor.

B. If a timely objection is filed the court shall conduct a hearing pursuant to section 12-1598.07 and shall make the following determinations:

1. Whether the writ is valid against the judgment debtor.
2. The amount outstanding on the judgment at the time the writ was served, plus accruing costs.
3. Whether the judgment debtor was employed by the garnishee at the time the writ was served.
4. Whether earnings were owed or would be owed by the garnishee to the judgment debtor within sixty days after the service of the writ.
5. Whether the debt was, at the time of service of the writ, subject to an effective agreement for debt scheduling between the judgment debtor and a qualified debt counseling organization.

C. If the court makes an affirmative determination under subsection B, paragraph 1 of this section and subsection B, paragraph 3 or 4 of this section and determines that the debt was not, at the time of service of the writ, subject to an effective agreement between the judgment debtor and a qualified debt counseling organization, the court shall order that the nonexempt earnings, if any, withheld by the garnishee after service of the writ be transferred to the judgment creditor and further order that the garnishment is a continuing lien against the nonexempt earnings of the judgment debtor. Otherwise the court shall order the garnishee discharged from the writ.

D. A continuing lien ordered pursuant to this section is invalid and of no force and effect on the occurrence of any of the following conditions:

1. The underlying judgment is satisfied in full, is vacated or expires.
2. The judgment debtor leaves the garnishee's employ for more than sixty days or, if the judgment debtor is an employee of a school district, a charter school, the Arizona state schools for the deaf and the blind or an accommodation school and the judgment debtor is subject to an employment contract that specifies that paydays are restricted to the school year, for more than ninety days.
3. The judgment creditor releases the garnishment.
4. The proceedings are stayed by a court of competent jurisdiction, including the United States bankruptcy court.
5. The judgment debtor has not earned any nonexempt earnings for at least sixty days or, if the judgment debtor is an employee of a school district, a charter school, the Arizona state schools for the deaf and the blind or an accommodation school and the judgment debtor is subject to an employment contract that specifies that paydays are restricted to the school year, for at least ninety days.
6. The court orders that the garnishment be quashed.

E. If no objections are filed to the answer of the garnishee and an order of continuing lien is not entered within forty-five days

after the filing of the answer of the garnishee, any earnings held by the garnishee shall be released to the judgment debtor and the garnishee shall be discharged from any liability on the garnishment.

F. If at the hearing the court determines that the judgment debtor is subject to the ~~twenty-five~~ TEN percent maximum disposable earnings provision under section 33-1131, subsection B and based on clear and convincing evidence that the judgment debtor or the judgment debtor's family would suffer extreme economic hardship as a result of the garnishment, the court may reduce the amount of nonexempt earnings withheld under a continuing lien ordered pursuant to this section from the ~~twenty-five~~ TEN percent to not less than ~~fifteen~~ FIVE percent.

G. A court order entered pursuant to this section if recorded does not constitute a lien against real property pursuant to section 33-961.

H. The court, sitting without a jury, shall decide all issues of fact and law.

Sec. 2. Section 33-1101, Arizona Revised Statutes, is amended to read:

33-1101. Homestead exemptions; persons entitled to hold homesteads; annual adjustment

A. Any person the age of eighteen or over, married or single, who resides within the state may hold as a homestead exempt from attachment, execution and forced sale, not exceeding ~~one hundred fifty thousand dollars~~ \$400,000 in value, any one of the following:

1. The person's interest in real property in one compact body upon which exists a dwelling house in which the person resides.
2. The person's interest in one condominium or cooperative in which the person resides.
3. A mobile home in which the person resides.
4. A mobile home in which the person resides plus the land upon which that mobile home is located.

B. Only one homestead exemption may be held by a married couple or a single person under this section. The value as specified in this section refers to the equity of a single person or married couple. If a married couple lived together in a dwelling house, a condominium or cooperative, a mobile home or a mobile home plus land on which the mobile home is located and are then divorced, the total exemption allowed for that residence to either or both persons shall not exceed ~~one hundred fifty thousand dollars~~ \$400,000 in value.

C. The homestead exemption, not exceeding the value provided for in subsection A, AS ADJUSTED BY SUBSECTION D OF THIS SECTION, automatically attaches to the person's interest in identifiable cash proceeds from the voluntary or involuntary sale of the property. The homestead exemption in identifiable cash proceeds continues for eighteen months after the date of the sale of the property or until the person establishes a new homestead with the proceeds, whichever period is shorter. Only one homestead exemption at a time may be held by a person under this section.

D. THE HOMESTEAD EXEMPTION PROVIDED BY THIS SECTION SHALL BE ADJUSTED ANNUALLY BEGINNING ON JANUARY 1, 2024 AND THEREAFTER ON JANUARY 1 OF EACH SUCCESSIVE YEAR BY THE INCREASE IN THE COST OF LIVING. THE INCREASE IN THE COST OF LIVING SHALL BE MEASURED BY THE PERCENTAGE INCREASE AS OF AUGUST OF THE IMMEDIATELY PRECEDING YEAR OVER THE LEVEL AS OF AUGUST OF THE PREVIOUS YEAR OF THE CONSUMER PRICE INDEX (ALL URBAN CONSUMERS, UNITED STATES CITY AVERAGE FOR ALL ITEMS) OR ITS SUCCESSOR INDEX AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, OR ITS SUCCESSOR AGENCY, WITH THE AMOUNT OF THE EXEMPTION ROUNDED UP TO THE NEAREST \$100.

Sec. 3. Section 33-1123, Arizona Revised Statutes, is amended to read:

33-1123. Household furniture, furnishings and appliances; annual adjustment

A. Household furniture and furnishings, household goods, including consumer electronic devices, and household appliances personally used by the debtor or a dependent of the debtor and not otherwise specifically prescribed in this chapter are exempt from process provided their aggregate fair market value does not exceed ~~six thousand dollars~~ \$15,000.

B. THE EXEMPTION PROVIDED BY THIS SECTION SHALL BE ADJUSTED ANNUALLY BEGINNING ON JANUARY 1, 2024 AND THEREAFTER ON JANUARY 1 OF EACH SUCCESSIVE YEAR BY THE INCREASE IN THE COST OF LIVING. THE INCREASE IN THE COST OF LIVING SHALL BE MEASURED BY THE PERCENTAGE INCREASE AS OF AUGUST OF THE IMMEDIATELY PRECEDING YEAR OVER THE LEVEL AS OF AUGUST OF THE PREVIOUS YEAR OF THE CONSUMER PRICE INDEX (ALL URBAN CONSUMERS, UNITED STATES CITY AVERAGE FOR ALL ITEMS) OR ITS SUCCESSOR INDEX AS PUBLISHED BY THE UNITED STATES DEPARTMENT

OF LABOR, BUREAU OF LABOR STATISTICS, OR ITS SUCCESSOR AGENCY, WITH THE AMOUNT OF THE EXEMPTION ROUNDED UP TO THE NEAREST \$100.

Sec. 4. Section 33-1125, Arizona Revised Statutes, is amended to read:

33-1125. Personal items

The following property of a debtor used primarily for personal, family or household purposes is exempt from process:

1. All wearing apparel of not more than a fair market value of five hundred dollars.
2. All musical instruments provided for the debtor's individual or family use of not more than an aggregate fair market value of four hundred dollars.
3. Horses, milk cows and poultry of not more than an aggregate fair market value of one thousand dollars.
4. All engagement and wedding rings of not more than an aggregate fair market value of two thousand dollars.
5. The library of a debtor, including books, manuals, published materials and personal documents of not more than an aggregate fair market value of two hundred fifty dollars.
6. One watch of not more than a fair market value of two hundred fifty dollars.
7. One typewriter, one computer, one bicycle, one sewing machine, a family bible or a lot in any burial ground of not more than an aggregate fair market value of two thousand dollars.
8. Equity in one motor vehicle of not more than ~~six thousand dollars~~ \$15,000. If the debtor or debtor's dependent has a physical disability, the equity in the motor vehicle shall not exceed ~~twelve thousand dollars~~ \$25,000. THE EXEMPTION PRESCRIBED IN THIS PARAGRAPH SHALL BE ADJUSTED ANNUALLY BEGINNING ON JANUARY 1, 2024 AND THEREAFTER ON JANUARY 1 OF EACH SUCCESSIVE YEAR BY THE INCREASE IN THE COST OF LIVING. THE INCREASE IN THE COST OF LIVING SHALL BE MEASURED BY THE PERCENTAGE INCREASE AS OF AUGUST OF THE IMMEDIATELY PRECEDING YEAR OVER THE LEVEL AS OF AUGUST OF THE PREVIOUS YEAR OF THE CONSUMER PRICE INDEX (ALL URBAN CONSUMERS, UNITED STATES CITY AVERAGE FOR ALL ITEMS) OR ITS SUCCESSOR INDEX AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, OR ITS SUCCESSOR AGENCY, WITH THE AMOUNT OF THE EXEMPTION ROUNDED UP TO THE NEAREST \$100.
9. Professionally prescribed prostheses for the debtor or a dependent of the debtor, including a wheelchair or motorized mobility device.
10. All firearms of not more than an aggregate fair market value of two thousand dollars.
11. All domestic animals or household pets.

Sec. 5. Section 33-1126, Arizona Revised Statutes, is amended to read:

33-1126. Money, benefits or proceeds; exception

- A. The following property of a debtor is exempt from execution, attachment or sale on any process issued from any court:
1. All money received by or payable to a surviving spouse or child on the life of a deceased spouse, parent or legal guardian, not exceeding twenty thousand dollars.
 2. The earnings of the minor child of a debtor or the proceeds of these earnings by reason of any liability of the debtor not contracted for the special benefit of the minor child.
 3. All monies received by or payable to a person entitled to receive child support or spousal maintenance pursuant to a court order.
 4. All money, proceeds or benefits of any kind to be paid in a lump sum or to be rendered on a periodic or installment basis to the insured or any beneficiary under any policy of health, accident or disability insurance or any similar plan or program of benefits in use by any employer, except for premiums payable on the policy or debt of the insured secured by a pledge, and except for collection of any debt or obligation for which the insured or beneficiary has been paid under the plan or policy and except for payment of amounts ordered for support of a person from proceeds and benefits furnished in lieu of earnings that would have been subject to that order and subject to any exemption applicable to earnings so replaced.
 5. All money arising from any claim for the destruction of, or damage to, exempt property and all proceeds or benefits of any kind arising from fire or other insurance on any property exempt under this article.

6. The cash surrender value of life insurance policies where for a continuous unexpired period of two years the policies have been owned by a debtor. The policy shall have named as beneficiary the debtor's surviving spouse, child, parent, brother or sister. The policy may have named as beneficiary any other family member who is a dependent, in the proportion that the policy names any such beneficiary, except that, subject to the statute of limitations, the amount of any premium that is recoverable or avoidable by a creditor pursuant to title 44, chapter 8, article 1, with interest thereon, is not exempt. The exemption provided by this paragraph does not apply to a claim for the payment of a debt of the insured or beneficiary that is secured by a pledge or assignment of the cash value of the insurance policy or the proceeds of the policy. For the purposes of this paragraph, "dependent" means a family member who is dependent on the insured debtor for not less than half support.

7. An annuity contract where for a continuous unexpired period of two years that contract has been owned by a debtor and has named as beneficiary the debtor, the debtor's surviving spouse, child, parent, brother or sister, or any other dependent family member, except that, subject to the statute of limitations, the amount of any premium, payment or deposit with respect to that contract is recoverable or avoidable by a creditor pursuant to title 44, chapter 8, article 1 is not exempt. The exemption provided by this paragraph does not apply to a claim for a payment of a debt of the annuitant or beneficiary that is secured by a pledge or assignment of the contract or its proceeds. For the purposes of this paragraph, "dependent" means a family member who is dependent on the debtor for not less than half support.

8. Any claim for damages recoverable by any person by reason of any levy on or sale under execution of that person's exempt personal property or by reason of the wrongful taking or detention of that property by any person, and the judgment recovered for damages.

9. A total of ~~three hundred dollars~~ \$5,000 held in a single account in any one financial institution as defined by section 6-101. The property declared exempt by this paragraph is not exempt from normal service charges assessed against the account by the financial institution at which the account is carried. THE EXEMPTION PRESCRIBED IN THIS PARAGRAPH SHALL BE ADJUSTED ANNUALLY BEGINNING ON JANUARY 1, 2024 AND THEREAFTER ON JANUARY 1 OF EACH SUCCESSIVE YEAR BY THE INCREASE IN THE COST OF LIVING. THE INCREASE IN THE COST OF LIVING SHALL BE MEASURED BY THE PERCENTAGE INCREASE AS OF AUGUST OF THE IMMEDIATELY PRECEDING YEAR OVER THE LEVEL AS OF AUGUST OF THE PREVIOUS YEAR OF THE CONSUMER PRICE INDEX (ALL URBAN CONSUMERS, UNITED STATES CITY AVERAGE FOR ALL ITEMS) OR ITS SUCCESSOR INDEX AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, OR ITS SUCCESSOR AGENCY, WITH THE AMOUNT OF THE EXEMPTION ROUNDED UP TO THE NEAREST \$100.

10. An interest in a college savings plan under section 529 of the internal revenue code of 1986, either as the owner or as the beneficiary. This does not include money contributed to the plan within two years before a debtor files for bankruptcy.

B. Any money or other assets payable to a participant in or beneficiary of, or any interest of any participant or beneficiary in, a retirement plan under section 401(a), 403(a), 403(b), 408, 408A or 409 or a deferred compensation plan under section 457 of the United States internal revenue code of 1986, as amended, whether the beneficiary's interest arises by inheritance, designation, appointment or otherwise, is exempt from all claims of creditors of the beneficiary or participant. This subsection does not apply to any of the following:

1. An alternate payee under a qualified domestic relations order, as defined in section 414(p) of the United States internal revenue code of 1986, as amended. The interest of any and all alternate payees is exempt from any and all claims of any creditor of the alternate payee.

2. Amounts contributed within one hundred twenty days before a debtor files for bankruptcy.

3. The assets of bankruptcy proceedings filed before July 1, 1987.

C. Any person eighteen years of age or over, married or single, who resides within this state and who does not exercise the homestead exemption under article 1 of this chapter may claim as a personal property homestead exempt from all process prepaid rent, including security deposits as provided in section 33-1321, subsection A, for the claimant's residence, not exceeding two thousand dollars.

D. This section does not exempt property from orders that are the result of a judgment for arrearages of child support or for a child support debt.

Sec. 6. Section 33-1131, Arizona Revised Statutes, is amended to read:

33-1131. Definition; wages; salary; compensation

A. For the purposes of this section, "disposable earnings" means that remaining portion of a debtor's wages, salary or compensation for his personal services, including bonuses and commissions, or otherwise, and includes payments pursuant to a pension or retirement program or deferred compensation plan, after deducting from such earnings those amounts required by

law to be withheld.

B. Except as provided in subsection C, the maximum part of the disposable earnings of a debtor for any workweek ~~which~~ THAT is subject to process may not exceed ~~twenty-five per cent~~ TEN PERCENT of disposable earnings for that week or the amount by which disposable earnings for that week exceed ~~thirty~~ SIXTY times the APPLICABLE minimum hourly wage ~~prescribed by federal law~~ in effect at the time the earnings are payable, whichever is less. THE APPLICABLE MINIMUM HOURLY WAGE IS THE MINIMUM WAGE REQUIRED BY FEDERAL, STATE OR LOCAL LAW, WHICHEVER IS HIGHEST.

C. The exemptions provided in subsection B do not apply in the case of any order for the support of any person. In such case, one-half of the disposable earnings of a debtor for any pay period is exempt from process.

D. The exemptions provided in this section do not apply in the case of any order of any court of bankruptcy under chapter XIII of the federal bankruptcy act or any debt due for any state or federal tax.

Sec. 7. Section 44-1201, Arizona Revised Statutes, is amended to read:

44-1201. Rate of interest for loan or indebtedness; interest on judgments; definitions

A. Interest on any loan, indebtedness or other obligation shall be AS FOLLOWS:

1. THE MAXIMUM INTEREST RATE ON MEDICAL DEBT SHALL BE THE LESSER OF THE FOLLOWING:

(a) THE ANNUAL RATE EQUAL TO THE WEEKLY AVERAGE ONE-YEAR CONSTANT MATURITY TREASURY YIELD, AS PUBLISHED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FOR THE CALENDAR WEEK PRECEDING THE DATE WHEN THE CONSUMER WAS FIRST PROVIDED WITH A BILL, OR

(b) THREE PERCENT A YEAR.

THE MAXIMUM INTEREST RATE PROVIDED PURSUANT TO THIS PARAGRAPH ALSO APPLIES TO ANY JUDGMENTS ON MEDICAL DEBT.

2. FOR ANY LOAN, INDEBTEDNESS OR OBLIGATION OTHER THAN MEDICAL DEBT, INTEREST SHALL BE at the rate of ten per cent per annum, unless a different rate is contracted for in writing, in which event any rate of interest may be agreed to. Interest on any judgment, OTHER THAN A JUDGMENT ON MEDICAL DEBT, that is based on a written agreement evidencing a loan, indebtedness or obligation that bears a rate of interest not in excess of the maximum permitted by law shall be at the rate of interest provided in the agreement and shall be specified in the judgment.

B. Unless specifically provided for in statute or a different rate is contracted for in writing, interest on any judgment OTHER THAN A JUDGMENT ON MEDICAL DEBT shall be at the lesser of ten per cent per annum or at a rate per annum that is equal to one per cent plus the prime rate as published by the board of governors of the federal reserve system in statistical release H.15 or any publication that may supersede it on the date that the judgment is entered. The judgment shall state the applicable interest rate and it shall not change after it is entered.

C. Interest on a judgment on a condemnation proceeding, including interest that is payable pursuant to section 12-1123, subsection B, shall be payable as follows:

1. If instituted by a city or town, at the rate prescribed by section 9-409.

2. If instituted by a county, at the rate prescribed by section 11-269.04.

3. If instituted by the department of transportation, at the rate prescribed by section 28-7101.

4. If instituted by a county flood control district, a power district or an agricultural improvement district, at the rate prescribed by section 48-3628.

D. A court shall not award either of the following:

1. Prejudgment interest for any unliquidated, future, punitive or exemplary damages that are found by the trier of fact.

2. Interest for any future, punitive or exemplary damages that are found by the trier of fact.

E. For the purposes of subsection D of this section, “future damages” means damages that will be incurred after the date of the judgment and includes the costs of any injunctive or equitable relief that will be provided after the date of the judgment.

F. If awarded, prejudgment interest shall be at the rate described in subsection A or B of this section.

G. FOR THE PURPOSES OF THIS SECTION:

1. “HEALTH CARE SERVICES” MEANS SERVICES PROVIDED AT OR BY ANY OF THE FOLLOWING:

(a) HEALTH CARE INSTITUTIONS AS DEFINED IN SECTION 36-401.

(b) PRIVATE OFFICES OR CLINICS OF HEALTH CARE PROVIDERS LICENSED UNDER TITLE 32, CHAPTERS 7, 11, 13, 15, 15.1, 16, 17, 18, 19, 19.1, 25, 28, 33, 34, or 35.

(c) AMBULANCES OR AMBULANCE SERVICES AS DEFINED IN SECTION 36-2201.

2. “MEDICAL DEBT” MEANS A LOAN, INDEBTEDNESS OR OTHER OBLIGATION ARISING DIRECTLY FROM THE RECEIPT OF HEALTH CARE SERVICES OR OF MEDICAL PRODUCTS OR DEVICES.

Sec. 8. Conflicts with federal law

This act shall not be interpreted or applied so as to create any power or duty in conflict with federal law.

Sec. 9. Severability

If a provision of this act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

Sec. 10. Saving clause

This act applies prospectively only. Accordingly, it does not affect rights and duties that matured before the effective date of this act, contracts entered into before the effective date of this act or the interest rate on judgments that are based on a written agreement entered into before the effective date of this act.

Sec. 11. Legal defense

The People of Arizona desire that this initiative, if approved by the voters, be defended if it is challenged in court. They therefore declare that the political committee registered to circulate petitions and campaign in support of the adoption of the initiative, or any one or more of its officers, has standing to defend this initiative on behalf of and as the agent of the People of Arizona in any legal action brought to challenge the validity of this initiative.

Sec. 12. Short title

This act may be cited as the “Predatory Debt Collection Protection Act.”

ANALYSIS BY LEGISLATIVE COUNCIL

Proposition 209 would increase the following debt collection exemptions (and would also provide that the exemption amounts would be increased annually based on the change in the United States Department of Labor consumer price index):

1. The homestead exemption on a debtor’s home would increase from \$250,000 to \$400,000.
2. The exemption on a debtor’s household furniture, furnishings, goods and appliances would increase from \$6,000 to \$15,000.
3. The exemption on the debtor’s equity in one motor vehicle would increase from \$6,000 to \$15,000, or if the debtor has a physical disability, from \$12,000 to \$25,000.
4. The exemption on a debtor’s single account in one financial institution would increase from \$300 to \$5,000.

Proposition 209 would decrease the portion of a debtor’s weekly disposable earnings that is subject to debt collection actions (other than support payments) to the lesser of 10% of the disposable earnings or sixty times the highest applicable federal, state or local minimum wage. Currently the amount of disposable earnings that is subject to debt collection actions (other than support payments) is the lesser of 25% of the disposable earnings or thirty times the federal minimum wage. Additionally, in a garnishment action, if the court determines by clear and convincing evidence that the 10% calculation on disposable earnings would cause extreme economic hardship to the debtor or the debtor’s family, the court may reduce the amount to 5% of disposable income. Currently, the court may reduce the amount to 15% of disposable income.

Proposition 209 would lower the maximum interest rate on medical debt (an obligation arising directly from the receipt of medical products or devices or the receipt of health care services provided at or by licensed health care institutions, the offices or clinics of most licensed health care providers or ambulance services) from the current rate of 10% per year (unless a different rate is contracted for in writing) to the lesser of 3% or an annual rate equal to the weekly average one-year constant maturity treasury yield, as published by the Federal Reserve Board, for the calendar week preceding the date when the consumer was first provided with a bill. The new maximum rate would also apply to judgments on medical debt.

Proposition 209 would only apply to contracts and agreements entered into on or after the effective date of this measure. The proponents’ political committee would have standing to defend the measure in any legal challenge.

Notice: Pursuant to Proposition 105 (1998), these measures cannot be changed in the future if approved on the ballot except by a three-fourths vote of the members of each house of the legislature and if the change furthers the purpose of the original ballot measure, by an initiative petition or by referring the change to the ballot.

JOINT LEGISLATIVE BUDGET COMMITTEE FISCAL ANALYSIS

PROPOSITION 209 (I-05)

A.R.S. § 19-123(E) requires the Joint Legislative Budget Committee Staff to prepare a summary of 300 words or less on the fiscal impact of voter-initiated ballot measures. Proposition 209 would a) lower the interest rate cap on medical debt, b) increase the amount of equity in a person's home that is protected from certain creditors, including tax liens from state and local governments c) increase the dollar value of personal property and assets exempt from the claims of creditors, and d) increase the amount of earnings that is exempt from the claims of creditors.

The proposition is not generally expected to have a direct impact on the state's General Fund revenues. The increase of the amount of equity protected from creditors under the measure, however, could adversely affect the ability to collect tax liens, which may reduce state and local tax revenues relative to current law. The amount of the potential state and local tax revenue loss cannot be determined in advance.