

CONSUMER CREDIT PROTECTION ACT

creased to a value of \$1,000, with an equity of \$350.) ; household furniture commensurate with the debtor's station in life; clothing and personal effects.

When we get to the exemption of wages we find that California appears to lag behind many of her sister states. Under Section 690.11 of the California Code of Civil Procedure the exemption for wages is one-half of the debtor's earnings. While there are provisions under Section 690.26 that enable the wage earner to claim the entire salary as exempt, the difficulty and cost is often a bar to such relief. Except for the rare case, fifty percent (50%) of the wage earner's salary is subject to garnishment, attachment or execution.

It was not until 1955 that one-half of the debtor's wages became automatically exempt. Prior thereto the debtor had to file an affidavit of exemption with the levying officer in order to obtain any exemption at all.

Because of the shortness of time I was unable to confer with a spokesman for the Commission on Uniform State Laws. Professor William Warren of the School of Law of the University of California at Los Angeles is active on a committee which is drafting a model uniform statute dealing with consumer credit. It is my understanding that the model statute will cover some of the problems included in H.R. 11601. Professor Warren is on vacation and perhaps when he returns I can provide the Committee with additional comments on this study.

DOCUMENTS SUBMITTED

I have delivered to the Committee the following documents:

1. Pertinent Section of the California Civil Code (Unruh Act) relating to Credit Sales.
2. The complete text of the Ress-Levering Act—California Automobile Sales Finance Act.
3. Pertinent Section of the California Financial Code relating to Small Loan Companies.
4. Pertinent Sections of the California Code of Civil Procedure relating to wage exemptions.
5. Pertinent Sections of the California Labor Code relating to assignment of wages.
6. Wage Garnishment in California: A Study and Recommendations—California Law Review Article by George Brunn.
7. Miscellaneous reports and papers relating to recent legislative efforts to liberalize the wage exemption.

ANALYSIS OF CIVIL COURT FILINGS OF LOS ANGELES MUNICIPAL COURT

I. INTRODUCTION

Attachments by way of wage garnishments represent a large percentage of the problems brought to the offices of those assisting the indigent.

This and obviously related problems motivated a group to run a search of the Civil Court files of the Los Angeles Municipal Court (one of twenty-six Municipal Court Divisions in Los Angeles County) in relation to the nature of suits filed.

There was no preconceived idea as to what such a search might reveal; but, in part, it was thought that such a search would confirm in most respects the findings of a study by George Brunn, "Wage Garnishment in California: A Study and Recommendations", December 1965 California Law Review, Vol. 53, No. 5, and would assist this Committee in consideration of AB 457.

II. COMPILATION OF CIVIL FILINGS

Cases filed in the Los Angeles Municipal Court (fiscal year July 1 to June 30) were:

	Total cases	Percentage
1963-64		
1964-65	95,577	1.92
1965-66	102,163	1.85
	107,616	1.84

¹ These percentages of cases were contractual in nature; the balance covers auto accidents, conversion of properties, unlawful detainer, mechanic liens, and related "wrongs." (Figures from Los Angeles Municipal Court public reports.)