2. There is some suggestion that the present policy's implications for debt payments are in part responsible for the fact that ninety per cent of the fifty families have not shared their debt problems with their workers.

3. In spite of the present policy, welfare funds are being used both directly and indirectly to pay off a small number of easy credit merchants and small loan companies, particularly in the inner city.

4. Present welfare policy voiding debt repayment is inoperative as long as the creditor, the more powerful member of the credit contract, is not a party of the non-payment commitment.

5. There is considerable evidence that a relatively small number of "easy credit" merchants and small loan companies are both harassing and soliciting welfare clients and thereby jeopardizing the department's program for these clients sufficiently to warrant the special attention of the department.

6. Garnishments, shortly following the close of welfare cases, resulting from overdue debts are undoing the work welfare has done for the families involved.

Once you have had an opportunity to digest this report, we at the Center for Consumer Affairs would be happy to meet with you to consider ways by which we might be of assistance in helping your office develop a more comprehensive program on client debt problems. The following questions might suggest some areas for discussion:

1. If debt problems are to be given more attention by the department, what is involved by way of retraining of staff to deal with them?
2. If the present policy on debt repayment is inoperative, along what lines might one be drawn which would be more functional and effective?
3. What can be done to discourage the small number of easy credit merchants and small loan companies from preying upon welfare clients?
4. What is required to encourage welfare clients to solicit the help of departmental workers with their credit problems?
5. What role might the department play in protecting clients from excessive legal actions following the closing of their cases?

Sincerely yours,

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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	Percent
1963–64	95,577	[1] 82
1964–65	102,163	[1] 85
1965–66	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."

Source: Los Angeles municipal court public reports.