

resembling legal forms, and from engaging in any unfair or misleading practices.¹² The Collection Agency Licensing Bureau takes the position that the notice may be sent by the collection agency's attorney but not by the agency itself.¹³ The Bureau's position was sustained by the Superior Court in Los Angeles County, whose judgment was not appealed and has become final.¹⁴ A bill introduced in the 1965 general session of the legislature would have undone the decision and let collection agencies give the notice.¹⁵

1. "Common Necessaries" and Exemption Claims

In practical operation section 690.11 exempts only half the wages of the great bulk of debtors—for example, while San Francisco's sheriff levied 1781 attachments and executions in February 1965, he received only 52 exemption claims during that period, a ratio that he considers typical.¹⁶ Two related factors account for this: the "common necessities" clause of the section and the practical difficulties in obtaining an exemption for more than half of the wages.

Reported decisions on the meaning of "the common necessities of life" are scant,¹⁷ for the very good reason that few debtors can afford to litigate this issue at all, let alone fight an appeal. In *Los Angeles Finance Co. v. Flores*¹⁸ (where the debtor was represented by the public defender), the debtor's wife had bought him a gold wrist watch for his birthday. The court held this was not one of the common necessities of life. Noting "the general policy of the courts of this state to give a liberal construction to exemption statutes in favor of the debtor,"¹⁹ the court said that the question of what is a common necessary

involves a determination of whether or not it is such an article that *in the hands of anyone* it is to be regarded universally, or substantially so, as necessary to sustain life. Obviously, the Legislature, cognizant

¹² CAL. BUS. & PROF. CODE § 6947(h), (k). A regulation of the Collection Agencies Licensing Bureau prohibits such agencies from employing "instruments simulating forms . . . of notice pertaining to judicial proceedings . . . other than to notify the debtor that the matter will be referred to its attorney for appropriate action." 16 CAL. ADMIN. CODE § 628(b)(7).

¹³ *Stores Collection Bureau v. Powers*, Los Angeles Super. Ct., No. 831522 (1965). See also Assembly Interim Comm. on the Judiciary, *Proceedings on Attachments* 44 (June 23, 1964) [hereinafter cited *Hearings*].

¹⁴ *Stores Collection Bureau v. Powers*, *supra* note 13. Judgment was entered on Jan. 22, 1965. The judgment also prohibits collection agencies from splitting attorneys' fees awarded in their cases with their attorneys.

¹⁵ Assembly Bill 2925 (1965) (introduced by Assemblyman Foran). The bill was not enacted.

¹⁶ Olson data.

¹⁷ See generally Seid, *Necessaries—Common or Otherwise*, 14 HASTINGS L.J. 28 (1962).

¹⁸ 110 Cal. App. 2d Supp. 850, 243 P.2d 139 (1952).

¹⁹ *Id.* at 854, 243 P.2d at 142.