

Last Week at the Capitol

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by

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AB 1321 was a “gut and amend” by Assembly Member Wieckowski when the Legislature returned in January. It would require a reduction in wage garnishments when a claim of exemption is filed by a debtor until the claim is resolved. It would require the levying officer to serve a notice of the claim on the employer, and then require the employer to recalculate the garnishment based on the claim. CAC opposed the bill. CAC reached out to sheriffs, bankers, and many other employer or creditor organizations. The sheriffs and bankers decided to oppose the measure, and at the Assembly Appropriations Committee hearing last week the State Department of Finance expressed concerns about the costs to local government. The sheriffs and bankers joined CAC in testifying in opposition. We were successful and the committee held the bill. It is dead but the Assembly Member has until the end of February to introduce a new bill if he chooses.

Next Tuesday, January 31, is the last day for the Senate to consider SB 890 (Leno), the Fair Debt Buyers Practices Act, which would regulate the activities of a person or entity that has bought consumer debt. The bill has been on the Senate inactive file since last June. Because of our industry’s opposition, Senator Leno did not have the votes to pass the bill. CAC received amendments at the end of last week from the Attorney General’s office. They fail to fix many of the major issues of concern and CAC remains opposed. We will be meeting with the bill’s sponsor for any final discussions, but at this point it is likely they may try to amend the bill without agreement and take it up for a vote next Monday or Tuesday.

The Governor’s new budget proposal includes a placeholder for \$50 million in court fee increases with no details. The Judicial Council has indicated that it will work with CAC to figure out what fees have minimal impact on our members.