

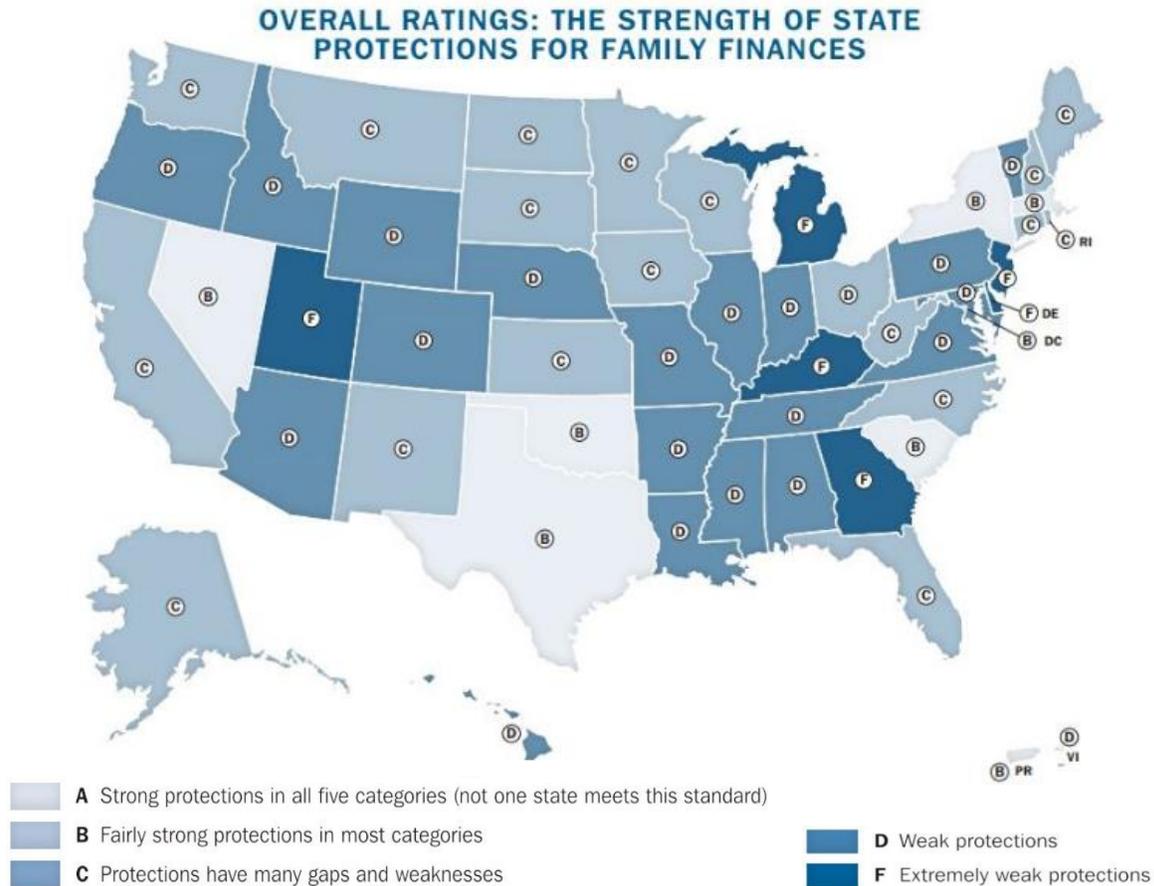
NO FRESH START IN 2019

HOW STATES STILL ALLOW DEBT COLLECTORS TO PUSH FAMILIES INTO POVERTY

<http://bit.ly/rpt-no-fresh-start>

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Every state has a set of exemption laws, intended to prevent creditors from pushing consumers and their families into destitution. But a report from the National Consumer Law Center, *No Fresh Start in 2019: How States Still Let Debt Collectors Push Families into Poverty*, finds that few states' exemption laws meet even the most basic standards.



Key Recommendations

State exemption laws should be reformed to:

- **Preserve the debtor's ability to work**, by protecting a working car, work tools and equipment, and money for commuting and other daily work expenses.
- **Protect the family's housing, necessary household goods.**
- **Protect a living wage for working debtors** that will meet basic needs.
- **Protect a reasonable amount of money in a bank account** so that debtors can pay commuting costs as well as upcoming rent and utility bills.
- **Protect retirees from destitution** by restricting the ability to seize retirement funds.
- **Be automatically updated for inflation.**
- **Close loopholes that enable some lenders to evade exemption laws.** For example, states that allow payday lending enable these lenders to evade state laws that protect wages and exempt benefits from creditors.