



March 16, 2023

The Honorable Brian Maienschein, Chair
Assembly Committee on Judiciary
1020 N Street, Room 104
Sacramento, CA 95814

Re: Support for AB 1119 (Wicks) – Co-Sponsors

Dear Chair Maienschein:

The National Consumer Law Center (NCLC) and the California Low-Income Consumer Coalition (CLICC) are proud sponsors of AB 1119 (Wicks), a bill to ensure that no one is imprisoned because they owe consumer debt. While debtors' prisons are banned in every state by constitution, statute, or judicial decision, in reality they live on because a court may issue an arrest warrant for someone who did not make it to court in a debt collection matter.

In California, once a plaintiff creditor or debt collector has obtained a judgment against a consumer, the debt collector may seek to “examine” the consumer to determine their assets. If the defendant fails to appear for the debtor’s examination, which involves going to court, the judge in the case may order a bench or an arrest warrant to be issued for the defendant. Whether or not the warrant actually results in jail time for the defendant, it may exacerbate a future minor infraction – such as being pulled over for a broken taillight – for a low-income worker who might then be subject to arrest.

Almost [2 out of 3 debt cases in California are default judgments](#) in favor of debt collectors where consumers were not able to defend themselves in court. This is often because they were never served with proper notice, have work or child care commitments they can’t miss, are unaware they have to take action, or are afraid to interact with the judicial system. The difficulty most people have in navigating the court system significantly contributes to failures to appear, and even judgment-proof individuals or people who don’t actually owe the debt may feel compelled to pay because of a fear of arrest.

AB 1119 will rebalance the power dynamic between debt collectors and families with consumer debt by:

1. **Reducing the need for court appearances:** People who get a notice to appear in court, but whose income and property value are under the threshold protected by existing California law, would be able to file a financial affidavit rather than taking up court time.

The court may still order the debtor to be examined if the plaintiff can present sufficient evidence of higher income. .

2. **Making Clear there is no jail time for smaller debts:** In limited civil cases, where debts are [\\$25,000 or less](#), when debtors fail to appear in court as scheduled, the court could still issue an order to show cause to determine whether to issue a warrant; but under this bill even if a warrant is issued, no one in a limited civil case would be jailed for failure to pay or failure to comply with an order to pay.

There is a growing recognition in California and throughout the nation that no consumer should face jail over a debt being owed, period. That is true even when the violation is the debtor's failure to appear rather than the debt itself – a distinction without meaning to the ordinary families whose lives could be thrown into tumult by an arrest warrant.

This bill does not take away any collection tools. It simply makes clear that no one should be arrested, or threatened with arrest, over a consumer debt. Most people think debtors' prisons are an outdated and unfair vestige of the past. This bill will assure that they are.

For the reasons outlined above, we urge your aye vote on AB 1119 (Wicks). If you have any questions, contact Dani Kando-Kaiser at dani@corbinandkaiser.com.

Sincerely,



Michael Best
Staff Attorney
National Consumer Law Center



Ted Mermin
Director
California Low-Income Consumer Coalition

cc: The Honorable Members of the Assembly Committee on Judiciary
The Honorable Buffy Wicks