

Second Supplement to Memorandum 71-23

COMPARISON OF FEDERAL FORMULA, PROPOSED FORMULA (\$ 723.50), AND
ALTERNATE FORMULA AT VARIOUS LEVELS OF WEEKLY EARNINGS

Gross earnings (weekly/annual)	Disposable earnings*	Amount withheld (CCPA)	Amount withheld (\$723.50)	Amount withheld (\$50 exemption, 25%)
60/3120	\$49.93	\$1.93	-0-	-0-
70/3640	57.24	9.24	-0-	\$2.00
80/4160	64.46	16.12	-0-	4.00
90/4680	71.68	17.92	-0-	6.00
100/5200	78.85	19.71	-0-	8.00
110/5720	86.21	21.55	\$2.00	10.00
120/6240	93.53	23.38	3.00	11.00
135/7020	104.38	26.10	5.00	14.00
150/7800	114.74	28.69	7.00	17.00
170/8840	128.54**	32.14	10.00	20.00
200/10400	148.72	37.18	14.00	25.00
250/13000	179.89	44.97	20.00	33.00
300/15600	211.39	52.85	27.00	41.00
400/20800	272.89	68.22	39.00	56.00
600/31200	393.89	98.47	63.00	86.00

*based on single person claiming one exemption; deductions for federal withholding, social security, state unemployment insurance, and state withholding based on tax tables for 1970 state taxes.

**social security tax is deducted only from first \$7,800 of annual earnings; a person earning more than \$150/week will stop paying social security at some point during the year.

LAW OFFICES
STYSKAL, WIESE & COLMAN

1755 VICTORY BOULEVARD
NORTH HOLLYWOOD, CALIFORNIA 91606
877-0931 766-4205

ALVIN D. WIESE, JR.
EARLE S. COLMAN
EDGAR J. MELCHIONE
ROBERT A. CLINCO

L. J. STYSKAL (OF COUNSEL)

April 26, 1971

Mr. John H. DeMouilly
Executive Secretary
California Law Revision Commission
School of Law
Stanford University
Stanford, California 94305

Re: Earnings Protection Law,
Revised Draft April 15, 1971

Dear Mr. DeMouilly:

I received the revised draft with appreciation, and after careful study, there are two philosophical points concerning the approach taken by the Commission on which I have difficulty concurring.

First and foremost, I do not believe it wise to sponsor legislation exempting bank accounts from levy of execution as proposed in Section 690.75. I have always had difficulty understanding the nature or reason for exempting shares in a savings and loan. It seems to me that the entire thrust of consumer protection revolves about giving the debtor notice which certainly a judgment procedure, as presently established in California, does. Superimposed upon that, both federal and state law guarantee him his minimum wages. As to other assets, other than tools of his trade necessary to earn those wages, I can find no rationale or policy strong enough to say that we must guarantee him bank accounts, automobiles, or any other assets (a homestead, of course, excluded), and that to do so leads us too far down the road to a socialistic state.

Second, I recognize the desirability of simplifying the levy procedure in connection with earnings, and the attempt the Bill has made to compromise a "totally continuing levy" with an alternate rule that the levy would continue for no longer than 4 months. I am opposed in its entirety to the concept of "multiple levies". Is it not enough to serve one levy by mail?

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Mr. John E. DeMouilly

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and then wait for results? In our personal experience of many years we have found that almost 90% of the debtors make arrangements to pay by simply running one levy on the judgment and that there is no necessity for continuing levies. Is there not a possibility of more harassment or problem to the debtor by permitting a continuing levy process when a creditor, through inadvertence, fails to cancel the subsequent levy or simply cannot cancel it in sufficient time after arrangements are made? By using the mail process for making the levy, sufficient modernization of the process and reduced cost should be achieved without permitting a multiple or series of continuing levies.

Very truly yours,

STASKAL, WIESE & COLMAN

Alvin O. Wiese, Jr.

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