SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2021-2022 Regular Session

SB 975 (Min)
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Fiscal: No
Urgency: No
CK

SUBJECT

Debt: coerced debts: right of action

DIGEST

This bill creates a cause of action through which a debtor can enjoin a creditor from holding the debtor personally liable for a debt incurred in the name of a debtor through duress, intimidation, threat, force, fraud, or exploitation of the debtor's resources or personal information for personal gain.

EXECUTIVE SUMMARY

Domestic violence and other abuse takes many forms and causes damage to many parts of survivors' lives. Outside of physical abuse, financial abuse can be incredibly destructive to the lives of the families affected. This includes an abuser using the target's credit cards, forcing them to take on loans or credit cards, or even consolidating student loan debt together. Abusers can use debt and the credit systems as another way to assert control.

This bill provides individuals a way to escape the morass of this type of debt. Survivors are able to bring a cause of action against creditors to assert that the underlying claim is the result of "coerced debt," a debt incurred in the name of a debtor through duress, intimidation, threat, force, fraud, or exploitation of the debtor's resources or personal information for personal gain. Creditors could be enjoined from holding the debtor personally liable on the claim or from enforcing a money judgment related to the claim.

This bill is cosponsored by the California Partnership to End Domestic Violence, the Public Law Center, and the Law Foundation of Silicon Valley. It is supported by a wide variety of groups, including the Women's Foundation California, the Youth Law Center, and the Little Hoover Commission. It is opposed by various industry associations, including the California Bankers Association and the California Association of Collectors.

PROPOSED CHANGES TO THE LAW

Existing law:

1) Establishes the Rosenthal Fair Debt Collection Practices Act ("Rosenthal Act") with the purpose to prohibit debt collectors from engaging in unfair or deceptive acts or practices in the collection of consumer debts and to require debtors to act fairly in entering into and honoring such debts. (Civ. Code § 1788 et seq.)

2) Requires a debt collector to cease collection activities until completion of a specified review upon receipt from a debtor of both of the following:

   a) a copy of a Federal Trade Commission (FTC) identity theft report, completed and signed by the debtor, or a copy of a police report filed by the debtor alleging that the debtor is the victim of an identity theft crime for the specific debt being collected by the debt collector; and
   b) a debtor's written statement that the debtor claims to be the victim of identity theft with respect to the specific debt being collected by the debt collector, as specified. (Civ. Code § 1788.18.)

3) Requires a debt collector, upon receipt of the above information, to notify a consumer credit reporting agency to which it has furnished adverse information that the account is disputed, and initiate a review considering all of the information provided by the debtor and other information available to the debt collector in its file or from the creditor. The debt collector may recommence debt collection activities only upon making a good faith determination that the information does not establish that the debtor is not responsible for the specific debt in question. (Civ. Code § 1788.18(d).)

4) Requires a debt collector who ceases collection activities and does not recommence those collection activities to do all of the following:
   a) if the debt collector has furnished adverse information to a consumer credit reporting agency, notify the agency to delete that information; and
   b) notify the creditor that debt collection activities have been terminated based upon the debtor's claim of identity theft. (Civ. Code § 1788.18(g).)

5) Establishes the California Consumer Credit Reporting Agencies Act. (Civ. Code § 1785.1 et seq.) The act prohibits creditors from selling a consumer debt to a debt collector if the consumer is a victim of identity theft, as defined, and with respect to that debt, the creditor has received notice pursuant to subdivision (k) of Section 1785.16 or paragraph (2) of subdivision (g) of Section 1788.18 of the Civil Code. (Civ. Code § 1785.16.2(a).)

6) Establishes, under federal law, the Federal Fair Credit Reporting Act (15 U.S.C. § 1681 et seq.). The act requires consumer reporting agencies to block information resulting from identity theft and to make specified notifications to the furnishers of such information. (15 U.S.C. § 1681c-2.)

7) Authorizes a victim of identity theft to obtain a civil judgment establishing that they are not the person liable for specified debts incurred as a result of the theft, enjoining attempts to collect on such debts from the victim, and awarding damages, civil penalties, and attorneys' fees for collection actions when the victim gave written notice of the judgment to the creditor that their identity had been stolen, as provided. (Civ. Code § 1798.93 (Section 1798.93).)

8) Requires a victim, in order to recover actual damages or attorney's fees in the above action, to provide, upon request, a valid copy of a police report or Department of Motor Vehicles investigative report promptly filed pursuant to Section 530.5 of the Penal Code at least 30 days prior to filing. (Civ. Code § 1798.93(c)(5).)

9) Defines "victim of identity theft" as a person who had their personal identifying information used without authorization by another to obtain credit, goods, services, money, or property and did not use or possess the credit, goods, services, money, or property obtained by the identity theft, and filed a police report in this regard pursuant to Section 530.5 of the Penal Code. (Civ. Code § 1798.92(d).)

10) Provides the right to obtain from companies documents used to open accounts or to apply for loans in the victim's name by unauthorized persons. The victim must provide the person or entity with which the application was filed or the account was opened a copy of a police report. (Penal Code § 530.8.)

11) Authorizes a court, after notice and a hearing, to issue an order determining the use, possession, and control of real or personal property of the parties during the period a domestic violence prevention order is in effect and the payment of any liens or encumbrances coming due during that period. The order may include a finding that specific debts were incurred as the result of domestic violence and without the consent of a party. This finding does not affect the priority of any lien or other security interest. (Fam. Code § 6342.5.)

This bill:

1) Authorizes an alleged debtor to bring an action against an alleged creditor to establish that the alleged creditor's claim arises from a coerced debt. In an action brought by an alleged creditor to recover a claim against the alleged debtor, the

alleged debtor may file a cross-complaint against the alleged creditor to establish that the claim is a coerced debt.

2) Defines "coerced debt" as a debt for personal, family, or household use incurred as a result of duress, intimidation, threat, force, fraud, or exploitation of the debtor's resources or personal information.

3) Defines "creditor" as a person or an entity that has a claim against a debtor or an alleged debtor or against the property of a debtor or an alleged debtor arising from a coerced debt, or that person's or entity's successor or assignee, including, but not limited to, a debt collector and a debt buyer.

4) Defines "adequate documentation" as any of the following:
   a) a police report indicating that a particular debt was incurred as a result of duress, intimidation, threat, force, fraud, or exploitation;
   b) a Federal Trade Commission identity theft report finding that a particular debt was incurred as a result of duress, intimidation, threat, force, fraud, or exploitation;
   c) a court order issued pursuant to Section 6340 of the Family Code relating to domestic violence, Section 213.5 of the Welfare and Institutions Code relating to a dependent of juvenile court, or Section 15657.03 of the Welfare and Institutions Code relating to elder or dependent abuse identifying a particular debt as having been incurred as a result of duress, intimidation, threat, force, fraud, or exploitation; or
   d) documentation from a qualified third-party professional, on specified letterhead, based on information they received while acting in a professional capacity indicating that a particular debt was incurred as a result of duress, intimidation, threat, force, fraud, or exploitation.

5) Requires the debtor in the above action or cross-complaint to provide the alleged creditor with written notice, at least 30 days in advance, of the intent to file the action or cross-complaint, which shall include a description of the alleged coerced debt and the basis for the assertion that the debt is a coerced debt. The written notice shall be sent to the alleged creditor's principal place of business as identified by the California Secretary of State. If an address is unavailable through the Secretary of State's internet website, the alleged debtor may use the correspondence address of the alleged creditor, or in the case of a debt collector, the address on file with the Department of Financial Protection and Innovation for licensing purposes.

6) Provides that if the alleged creditor ceases all efforts to collect on the claim within that time, no action or cross-complaint will lie. The bill applies a four-year statute of limitations, and the court maintains continuing jurisdiction for ten years.

7) Requires the court to award the following relief if the debtor establishes by a preponderance of the evidence that the underlying claim is a coerced debt:
    a) declaratory judgment that the debtor is not obligated to the creditor on the claim;
    b) an injunction prohibiting the creditor from holding or attempting to hold the debtor personally liable on the claim and prohibiting the creditor from enforcing a judgment related to the claim against the debtor; and
    c) an order dismissing any cause of action brought by the creditor to enforce or collect on the claim from the debtor.

8) Establishes a rebuttable presumption that a claim is a coerced debt if the debtor introduces adequate documentation and evidence that the claim was incurred during the period of duress, intimidation, threat, force, fraud, or exploitation.

9) Holds a debtor who files unmeritorious motions, pleadings, or other papers, conducts unnecessary discovery, or engages in other tactics that are frivolous or solely intended to cause unnecessary delay against a creditor liable for the creditor's attorney's fees and costs in defending the lawsuit.

10) Clarifies that a creditor may collect against any appropriate person or entity other than the alleged debtor and use all rights and remedies against a person who caused a coerced debt to be incurred or against a person who used or possessed money, goods, services, or property obtained through a coerced debt.

11) Provides that information regarding a secured or unsecured consumer debt documented to be a coerced debt shall be deemed incomplete or inaccurate for purposes of reporting to consumer credit reporting agencies pursuant to subdivision (a) of Section 1785.25 of the Civil Code.

12) Exempts from its provisions debts secured by real property.

13) Clarifies that it does not prevent a creditor from enforcing a lien when the debt is secured by personal property.

COMMENTS

1. Domestic abuse, coercive control, and financial abuse

According to Katie Ray-Jones, the National Domestic Violence Hotline's Chief Executive, "'[d]omestic violence is rooted in power and control.'"[1] When abusers lose

[1] Laura Newberry & Nicole Santa Cruz, *Domestic abuse victims in 'worst-case scenario' during outbreak, providers say* (March 24, 2020) Los Angeles Times, https://www.latimes.com/california/story/2020-03-24/womens-shelters-brace-for-surge-in-domestic-violence-as-coronavirus-quarantines-isolate-survivors. All internet citations are current as of April 20, 2022.

control of their intimate partners, they resort to a variety of tactics to subjugate them. The Center for Disease Control states that intimate partner violence may consist of physical violence, sexual violence, and psychological aggression, which includes expressive aggression (insulting, name calling) and coercive control (behaviors that involve monitoring, controlling, or threatening the victim).[2] Coercive control encompasses a variety of behaviors aimed at overcoming a person's free will and curtailing their personal liberty and sense of agency.

A pervasive form of coercive control is financial abuse, which refers to "behavior that seeks to control a person's ability to acquire, use, or maintain economic resources, and threatens their self-sufficiency and financial autonomy."[3] An estimated 99 percent of domestic violence cases involve financial abuse. Examples of financial abuse include: forcing a partner to miss, leave, or be late to work; harassing a partner at work; controlling how money is spent; withholding money or basic living resources; giving a partner an 'allowance'; stealing money, credit, property, or identity from a partner; and forcing a partner to file fraudulent legal financial documents or overspend on credit cards. The effects can devastate the victim and make them more vulnerable to further domestic abuse.

These effects have been amplified in recent years as changes to everyday life associated with the COVID-19 pandemic have led to increased rates of domestic violence.[4] Shelter-in-place orders, job losses, and school closures deteriorate strained relationships and keep victims confined with abusers. Many victims find it more difficult to seek help, escape to a safe location, report abuse to law enforcement, or go to court to get a restraining order.

This bill deals with the aftermath of financial abuse by providing survivors with a way to get out from under "coerced debt." That term is defined as a debt for personal, family, or household use incurred in the name of a debtor through duress, intimidation, threat, force, fraud, or exploitation of the debtor's resources or personal information for personal gain. The bill authorizes a debtor to bring an action, or alternatively a cross-complaint, against a creditor to establish that a specific claim arises from a coerced debt.

A debtor plaintiff must establish by a preponderance of the evidence that the claim is a coerced debt in order to be entitled to declaratory and injunctive relief to prohibit further collection on the claim. Creditors are prohibited from reporting established coerced debts to a consumer credit reporting agency, but the bill provides that a creditor may collect against any other appropriate person or entity and may still enforce

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[2] *The National Intimate Partner and Sexual Violence Survey*: *2010-2012 State Report* (April 2017) National Center for Injury Prevention and Control, https://www.cdc.gov/violenceprevention/pdf/NISVS-StateReportBook.pdf.
[3] *Financial Abuse Fact Sheet*, National Network to End Domestic Violence, https://nnedv.org/wp-content/uploads/2019/07/Library_EJ_Financial_Abuse_Fact_Sheet.pdf.
[4] *See* FN 1.

a lien when the underlying debt is secured by personal property. Recent amendments provide that the bill does not apply to any debts secured by real property.

A debtor must provide at least 30-days notice before commencing the action or filing the cross-complaint within which a creditor can cease collection efforts to obviate the action. A debtor that files unmeritorious motions or engages in other specified misconduct is liable for the opposing party's attorney's fees and costs.

A debtor can establish a rebuttable presumption that the claim is a coerced debt if the debtor can provide "adequate documentation" of the coerced debt and evidence that the claim was incurred during the period of duress, intimidation, threat, force, fraud, or exploitation.

2. Similar models in existing law

Although a much stronger tool for survivors of economic abuse straddled with coerced debt, this bill joins other, somewhat similar models available to victimized debtors.

Existing law requires a debt collector to cease collection activities until completion of a specified review upon receipt from a debtor of a Federal Trade Commission identity theft report, completed and signed by the debtor, or a copy of a police report filed by the debtor alleging that the debtor is the victim of an identity theft crime; and a written statement from the debtor that they claim to be the victim of identity theft with respect to the specific debt being collected by the debt collector. (Civ. Code § 1788.18.) Within 10 business days of receiving the complete statement and required information, the debt collector shall notify the consumer credit reporting agency that the account is disputed and initiate a review considering all of the information provided by the debtor and other information available to the debt collector in its file or from the creditor. The debt collector is required to send notice of its determination to the debtor no later than 10 business days after concluding the review. The debt collector may only recommence debt collection activities upon making a good faith determination that the information does not establish that the debtor is not responsible for the specific debt in question.

Another example is Civil Code section 1798.93, which authorizes a person to bring an action against a claimant to establish that the person is a victim of identity theft in connection with the claimant's claim against that person. If the claimant has brought an action to recover on its claim against the person, the person may file a cross-complaint to establish that the person is a victim of identity theft in connection with the claimant's claim. Similarly to this bill, the person must establish that they are a victim of identity theft by a preponderance of the evidence in order to seek declaratory and injunctive relief, including an order restraining the claimant from collecting or attempting to collect from the victim on that claim, from enforcing or attempting to enforce any security interest or other interest in the victim's property in connection with that claim, or from enforcing or executing on any judgment against the victim on that claim.

3. Concerns with the bill

A number of concerns with the bill have been raised by various industry organizations. They include issues with the definitions within the bill, the scope of the claims at issue, the process provided for, and arguments about the fundamental fairness of the bill.

In opposition, the California Land Title Association and the California Association of Realtors focus on the inclusion of secured debt in the bill: "While the goals of the author and sponsors are laudable, SB 975's inclusion of secured real property in the definition of 'coerced debt' will undermine existing legal concepts that protect innocent parties in the real estate marketplace and negatively impact the availability of real estate financing in California."

As discussed, recent amendments removed real property from the application of the bill. As a result, a number of organizations have removed their opposition to the bill. There were some concerns about the wording and placement of the provision regarding real property, and in response, the author has agreed to the following amendment, which makes the carve out for real property more explicit and effectively removes California Land Title Association's opposition:

> Amendment
>
> Delete Section 1798.97.1 (h)
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> Insert "Section 1798.97.6. This title does not apply to debts secured by real property."

It should be noted that a number of groups have expressed appreciation for the exemption of real property, but urge the author to similarly remove debt secured by personal property. Opposition also raise concerns with the recent language added to the bill that states it does not prevent an alleged creditor from enforcing a lien when the debt is secured by personal property. They argue the onus for turning over the secured personal property should be placed on the debtor seeking rescission rather than the creditor.

A coalition of groups, including the Civil Justice Association of California, writes in opposition. They argue the definition of "coerced debt" is "subjective, grammatically vague, and lacks explanations for the qualifying terms used to describe the act." They propose limiting the bases for a debt being considered coerced to only duress, as it is defined in the Penal Code, thereby eliminating debts incurred as the result of intimidation, threat, force, fraud, or exploitation.

The opposition coalition also argues that the definition "fails to specify who must commit the act or the type of relationship that qualifies under the definition." They state:

> As written, the types of relationships or circumstances that might qualify a debtor for these rights are virtually endless. Due to weight of cancelation of a debt, it is essential that the applicability is narrowly tailored and specify the types of relationships or circumstances that qualify an alleged debtor to these rights and it should be made clear that these circumstances are limited to natural persons. As the proponents have stated an intent to provide relief to foster youth and victims of domestic violence, perhaps the terms in Education Code Section 42238.01 and Penal Code Section 13700 respectively may be used in providing realistic guiderails.

The coalition also brings up issues with the court process at the center of the bill. They assert:

> A court should have discretion to evaluate all equitable factors and determine relief that is appropriate and proportionate to the victim and to the act based on the totality of the situation – therefore, the relief prescribed in 1798.92 (c) should be permissive, not mandatory. For example: To prevent unjust enrichment, one equitable factor that courts should be required to consider is whether the coerced debt provided a benefit to the victim – E.g., when a victim has been living in a property that was purchased via a coerced debt.
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> By establishing preponderance of the evidence as the standard of proof, any creditor will have a significant challenge in overcoming a claim by the debtor that a debt was coerced. Any claimed coercion will certainly have taken place without the knowledge and beyond the view of the creditor, leaving a creditor to defend itself by "proving a negative" regarding the claimed events. The standard of proof should require clear and convincing evidence before eliminating a creditor's right to recover.

A number of groups in opposition also point to a law recently passed that went into effect this year. AB 2517 (Gloria, Ch. 245, Stats. 2020) authorizes courts to make a finding in a domestic violence restraining order issued after notice and a hearing that specific debts were incurred as a result of domestic violence. They argue the AB 2517 model is better because it "allows a court to place the burden of unpaid debt created as the result of financial abuse squarely on the perpetrator responsible, does not upend existing bona fide purchaser or encumbrancer protections, and does not create a new class of victim in the form of innocent third party lenders." The larger coalition in opposition echoes the sentiment that this law should be sufficient.

In response, the author argues that AB 2517 was only the first step, and that this bill builds on that process:

> AB 2517 was an important step forward because it allows judges to go one step beyond the power they already had to assign responsibility to payment of specific debts to now identifying when a debt or debts was the result of the economic abuse. However, because this is done as a part of the DV restraining order, the creditors are not parties to the restraining order and are therefore not legally bound by this to take any specific action. The goal in passing AB 2517 was that it would provide survivors with a piece of evidence they can bring to the creditor to stop collection. SB 975 builds on this by providing a specific court process to bring in this DVRO as evidence and specifically require the creditor to cease collection, which is especially helpful if the survivor hasn't been able to find relief from the creditor through any other means. Additional, AB 2517 only applied to DV restraining orders and does not provide this protection for other groups vulnerable to coerced debt such as foster youth and elder abuse victims.

The bill also includes the ability to establish a rebuttable presumption that a particular debt is coerced if the plaintiff debtor can provide "adequate documentation" and specified evidence. Adequate documentation includes police reports, court orders, and documentation by third party professionals that a particular debt was coerced. Given the nature of some of this documentation, there may be admissibility issues, including hearsay concerns, that the author may wish to address. In addition, the other requirement needed to establish the presumption is "evidence that the claim was incurred during the period of duress, intimidation, threat, force, fraud, or exploitation." The documentation itself is specific to the particular debt at issue and does not identify any specific periods of time. Therefore, it is unclear what this requirement seeks to add to the evidentiary threshold.

The California Bankers Association expresses concerns with the presumption and documentation:

> There is a question about how rebuttable the presumption truly is – in most cases, a creditor *would not and should not* have information about the nature of the relationship or abuse to rebut the presumption, which is based on an allegation and documentation that is not conclusive. . . . Similarly, the documentation that serves the purpose of providing the basis for canceling a loan lacks penalty of perjury and continues to lack robust standards established in existing state law.

In response to these concerns the author has agreed to the following amendments that require "adequate documentation" to be provided at the outset of the action or with the cross-complaint and that establish a more feasible standard for rebutting the presumption laid out in the bill:

> Amendments
>
> Add Section 1798.97.2 (a)(3) An alleged debtor shall attach adequate documentation to the complaint or cross-complaint.
>
> Add the following to Section 1798.97.2 (d):
> The rebuttable presumption may be overcome by the introduction of any admissible evidence the court finds is contrary to the presumption.

4. Wide support for the bill

The sponsors of the bill write:

> SB 975 provides survivors with the urgently needed opportunity to seek relief from repaying these coerced debts. A survivor who establishes that a debt was coerced will be entitled to a declaratory judgment that the survivor is not obligated for repayment of the debt as well as an injunction restraining the debt collector from holding the survivor personally liable on the debt or from enforcing judgment related to the debt. The bill provides a comprehensive list of documentation that can be used to demonstrate that the debt was a coerced debt including documents such as: (1) A police report; (2) an FTC identity theft report; (3) a court order identifying a particular debt as the result of coerced debt; or (4) other documents provided by specific professionals. SB 975 also provides survivors the opportunity to notify a creditor that a debt is coerced, with the goal of resolving the debt prior to litigation.
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> Importantly, SB 975 is narrowly tailored and will only prohibit debt collectors from collecting against the survivor of coerced debt. To ensure that debts are ultimately paid by the appropriate person, this bill does not prevent the creditor from pursuing any co-debtors, or the alleged abuser for payment.

Writing in support, the Little Hoover Commission writes:

> In its 2021 report, Beyond the Crisis: A Long-Term Approach to Reduce, Prevent, and Recover from Intimate Partner Violence, the Commission found that many survivors of abuse face overwhelming amounts of debt from credit cards and loans taken out in their name without their permission, and consequently struggle to establish a life away from their abuser. Helping survivors establish economic independence is essential to

> their ability to successfully leave an abusive relationship. Among its recommendations, the Commission called for the creation of a program that collaborates with credit bureaus and financial institutions to help survivors understand their financial picture, recover from damage to their finances and credit, and protect against future economic abuse.
> We believe SB 975 would implement part of our recommendation by helping survivors recover from damage to their credit.

Writing in support, the California Women's Law Center highlights other victims that could benefit from the mechanisms established by this bill:

> Economic abuse occurs when an individual exerts improper control over another person's financial or economic resources. This type of abuse can manifest as coerced debt—that is, debt taken in a victim's name by an abuser without the victim's knowledge or consent. Older adults, current or former foster youth, and domestic violence survivors are particularly vulnerable to this form of exploitation.
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> Nationally, victims of financial elder abuse incur an estimated $36.5 billion in losses. In a study examining the types of abuse reported to the National Center on Elder Abuse's resource line, researchers found that financial abuse was the most commonly reported form of mistreatment among older Americans. Economic abuse can impact older individuals' eligibility for and receipt of public benefits.
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> Current and former foster youth may have multiple caregivers over time, which increases the opportunities for adults to access and misuse foster children's personal information. An estimated 8-10% of California foster youth are victims of identity theft.

A number of legal aid organizations also write in support of the bill. Bay Area Legal Aid provides a number of examples from their clients where these procedures could bring some relief to survivors of coerced debt, including the following:

> Our client "Norma" was physically abused by her husband, and he controlled all of the finances when they were together. She spoke little English while they were together and worked at WalMart. He worked a unionized construction job and was the primary earner. Norma's husband took out a second mortgage on their home without telling her. When he maxed that out, he coerced her into taking out several credit cards in her name, telling her they needed the money or they'd lose the house. However, he didn't use the money to pay the mortgage on the house. She doesn't know what happened to the money, as he was the one who used

the cards. However, she is the one left with thousands of dollars in credit card debt.

SUPPORT

California Partnership to End Domestic Violence (co-sponsor)
Law Foundation of Silicon Valley (co-sponsor)
Public Law Center (co-sponsor)
Ahri for Justice
Alliance for Children's Rights
Alliance for Community Transformations
American Association of Doctors of Behavioral Health
Asian Americans Advancing Justice - California
Bay Area Legal Aid
California Latinas for Reproductive Justice
California Women's Law Center
California Work & Family Coalition
Child Care Law Center
Children Now
Community Legal Aid SoCal
Community Resource Center
Consumer Federation of California
Crime Survivors for Safety and Justice
Downtown Women's Center
Equal Rights Advocates
Family Violence Appellate Project
Freefrom
Futures Without Violence
Glendale YWCA
Gray's Trauma-informed Care Services Corp
Housing and Economic Rights Advocates
Interface Children & Family Services
John Burton Advocates for Youth
Laura's House
Lawyers' Committee for Civil Rights - San Francisco
Legal Aid at Work
Little Hoover Commission
Los Angeles Center for Law and Justice
Lumina Alliance
National Council of Jewish Women-California
Neighborhood Legal Services of Los Angeles County
Public Counsel
San Francisco Women's Political Committee
Women's Center Youth and Family Services

Women's Foundation California
Young Women's Freedom Center
Youth Law Center
YWCA Glendale and Pasadena

OPPOSITION

California Association of Collectors, Inc.
California Association of Realtors
California Bankers Association
California Community Banking Network
California Credit Union League
California Financial Services Association
Civil Justice Association of California

RELATED LEGISLATION

Prior Legislation:

AB 430 (Grayson, Ch. 265, Stats. 2021) allowed the use of a Federal Trade Commission identity theft report, in lieu of a police report, when a victim of identity theft seeks civil protections pursuant to the Rosenthal Fair Debt Collection Practices Act, the Identity Theft Law, and the Penal Code, as specified.

SB 373 (Min, 2021) would have prohibited a debt collector from collecting or attempting to collect a consumer debt if the consumer provides documentation, as specified, to the debt collector that the debt, or any portion of the debt, is the result of economic abuse, as defined. The bill would have prohibited a debt collector from requiring a court order or a police report to prove that the debt is the result of economic abuse. This bill died in the Senate Banking and Financial Institutions Committee.

SB 1141 (Rubio, Ch. 248, Stats. 2020) codifies and elaborates on case law defining when a restraining order under the Domestic Violence Prevention Act may be issued because a person was "disturbing the peace of the other party," which includes coercive control.

AB 2517 (Gloria, Ch. 245, Stats. 2020) *See* Comment 3.

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