



March 27, 2020

Governor Gavin Newsom  
 1303 10th Street Suite 1173  
 Sacramento, CA 95814

Dear Governor Newsom,

We write to request your immediate executive action on a matter of acute concern to Californians who face greater economic peril because of debt imposed and collected by state and local government entities (hereinafter government-imposed debt), including the criminal and juvenile legal systems, superior courts (traffic, infraction), and child support services collecting money to refund government agencies for public assistance.

On March 4, 2020, you declared a State of Emergency<sup>1</sup> and subsequently called for a statewide shelter-in-place.<sup>2</sup> Though this unprecedented action is necessary to lessen the harm to the estimated 56% of Californians who could fall ill in the next eight weeks,<sup>3</sup> it is not without significant economic impacts.

**The economic fallout from the COVID-19 crisis will be devastating, particularly for people of color, women, and low-income people.**

As you have mentioned, even before COVID-19, “California families were struggling with a crisis in the cost of living in our state due to the uneven economic recovery from the Great Recession and deepening economic inequality.”<sup>4</sup> The COVID-19 pandemic is likely to lead to further loss of critical income and shelter for low-income people, particularly women and people of color—communities that already bear a disproportionate brunt of the economic sanctions imposed by government systems.

Furthermore, economic analysis shows that women and people of color will be hit hardest by the COVID-19 crisis, as they are disproportionately represented in jobs that will be lost or cut in this time.<sup>5</sup> As a result, continued assessment and collection of government-imposed debt during this crisis (including continued interest accrual and/or other sanctions for non-payment) will only exacerbate the economic hardship experienced by the most marginalized members of our community.

**Ongoing assessment and collection of government-imposed debt undercuts efforts to build up family reserves and poses significant due process concerns.**

Federal and state policy makers are working tirelessly to develop new programs to put much-needed cash in the hands of families across the country. The federal government is set to provide direct cash payments to people across the country to help them through the crisis.<sup>6</sup> In addition, California’s existing earned income tax credit (EITC) program provides a tax refund for the lowest-income Californians. The EITC is a critical poverty-fighting measure that builds up family reserves and economic resiliency, which many families depend on receiving at this time of year. The ongoing collection of government-imposed debt, specifically through tax intercepts, is in direct contravention to these efforts.

Additionally, shelter-in-place orders and court closures for the next 60 days<sup>7</sup> will drastically reduce staffing at local and state agencies that provide procedural safeguards. These measure will further prevent people who owe debt from seeking remedies such as payment plans or reduced payment options, obtaining or providing evidence of error, or otherwise contesting their debt. As a result, continuing to assess or collect government-imposed debt under such circumstances would likely violate basic constitutional due process protections.

**Jurisdictions across the state and country are making immediate changes to criminal, juvenile, traffic, infraction, and child support debt policies to curb the harm posed by this crisis.**

Numerous jurisdictions have already taken necessary steps to stop the assessment and collection of government-imposed debt in order to stem the harms of the ongoing public health and economic crises. Some jurisdictions have suspended interest accrual, defaults on payment plans, and referral to collection agencies for various debts owed to local entities;<sup>8</sup> suspended late fees and interest on all locally-held debts;<sup>9</sup> stopped imposing late penalties for all citations and referring overdue debts to the state revenue department for collections;<sup>10</sup> and taken other measures

to temporarily and/or permanently alleviate the economic burdens caused by such debts.<sup>11</sup>

In California, Chief Justice Tani Cantil-Sakauye has authorized time extensions for court procedures;<sup>12</sup> courts have requested various relief measures;<sup>13</sup> and some have extended payment due dates for fines and fees.<sup>14</sup> Child Support Services has also shut down all automated actions for bank levies and driver's license suspensions.<sup>15</sup> Under the direction of Controller Betty Yee, the Franchise Tax Board is also set to immediately suspend tax intercepts, bank levies, and wage garnishments for government-imposed debt.

Prior to the crisis, many counties ended the assessment and collection of juvenile<sup>16</sup> and criminal fees,<sup>17</sup> and as you know, advocates (including many of the signatories here) are asking the State to reconsider the propriety of many of the fines and fees currently being imposed and collected.<sup>18</sup>

Given your proclamation of the COVID-19 State of Emergency and the significant and deepening economic impacts of this public health crisis, including the substantial loss of income and livelihoods that harms Californians' ability to pay for rent, food, utility bills, and other life necessities:

**We call on you to take the following actions by executive order to ensure greater racial and economic justice and mitigate deepening financial hardship and disparities in California.**

1. Order the Franchise Tax Board immediately to suspend all tax intercepts, bank levies, and wage garnishments for all outstanding government-imposed debt for no less than 120 days or until the second full month following the end of the public health emergency, whichever is later, and encourage the Board to use its authority to release liability for payment of government-imposed debt where possible.<sup>19</sup>
2. Order the Franchise Tax Board immediately to cease accrual of interest and the imposition of other sanctions on outstanding government-imposed debt for no less than 120 days or until the second full month following the end of the public health emergency, whichever is later.
3. Order counties and courts to immediately recall past referrals and stop making new referrals of outstanding government-imposed debt to the Franchise Tax Board for no less than 120 days or until the second full month following the end of the public health emergency, whichever is later.
4. Order counties and courts to immediately suspend the collection of all government-imposed debt for no less than 120 days or until the second full month following the end of the public health emergency, whichever is later, including collection by local collection agencies and third-party agencies.
5. Order counties and courts to immediately stop assessing any new payments or government-imposed debt, and to cease accrual of interest and the imposition of other sanctions on outstanding government-imposed debt for no less than 120 days or until the second full month following the end of the public health emergency, whichever is later.

6. Commit to not signing any legislation that would add additional monetary burdens, increase existing dollar amounts, or raise statutory limits on existing authorized monetary burdens, such as fines and fees imposed through the juvenile and criminal legal systems.

We need to relieve all Californians from the hardship of making ongoing payments on government-imposed debt burdens to help individuals, communities, and the state weather the current crisis and emerge more secure, just, productive, healthy, and hopeful.

Sincerely,

Esteban Nuñez. #cut50

Manny Galindo, A New Way of Life

Lizzie Buchen, ACLU of California

Kent Mendoza, Anti-Recidivism Coalition

Liza Chu, Asian Americans Advancing Justice California

Rebekah Evanson, Bay Area Legal Aid

Brandon Greene, Individual

Donald Frazier, Building Opportunities for Self-Sufficiency

California Asset Building Coalition

Lucia Mattox, Center for Responsible Lending

Caroline Martin Ramos, Centro Legal de la Raza

Vinuta Naik, Community Legal Services in East Palo Alto

Kyle Magallanes Castillo, Community Works

Jeannette Zanipatin, Drug Policy Alliance

Asher Waite-Jones, East Bay Community Law Center

Emily Harris, Ella Baker Center for Human Rights

Donna Harati, Homeboy Industries

Sara Bilick, Human Impact Partners

Greg Fidell, Initiate Justice

Jhumpa Bhattacharya, Insight Center for Community Economic Development

Lynn Berkley-Baskin, Justice2Jobs

Justice LA

Elisa Della Piana, Lawyer's Committee on Civil Rights – San Francisco Bay Area

Dorsey Nunn, Legal Services for Prisoners with Children, All of Us or None

Let's Get Free LA

Local 148-LA County Public Defenders Union

Lewis Brown, PolicyLink

Milinda Kakani, Public Counsel

Leslie A. Bailey, Public Justice

Katherine Katcher & Sonja Tonnesen-Casalegno, Root & Rebound

Jane Fischberg, Rubicon Programs

Jessika Green, Safe Return Project

Danica Rodarmel, San Francisco Public Defender's Office

Elizabeth Fraser, Showing Up for Racial Justice Bay Area

Jordanna Wong-Omshehe, Starting Over, Inc./Riverside Chapter of All of Us or None

Freddie Francis, Transgender Advocacy Group  
Stephanie Campos-Bui, UC Berkeley, School of Law, Policy Advocacy Clinic  
Stacey Tutt & Claire Raba, UC Irvine Consumer Law Clinic on behalf of their clients  
UCLA Labor Center  
Jess Bartholow, Western Center on Law and Poverty  
Amika Mota, Young Women's Freedom Center  
Anthony Robles, Youth Justice Coalition

CC: The Honorable Holly J. Mitchell, California State Senate  
The Honorable Maria Elena Durazo, California State Senate  
The Honorable David Chiu, California State Assembly  
The Honorable Senate President and Lieutenant Governor Eleni Kounalakis  
The Honorable Xavier Becerra, California Attorney General  
The Honorable Fiona Ma, California State Treasurer  
The Honorable Betty Yee, California State Controller  
The Honorable Senate President pro Tempore Toni Atkins  
The Honorable Assembly Speaker Anthony Rendon  
Ann O'Leary, Chief of Staff, Office of the Governor  
Daniel Seeman, Deputy Cabinet Secretary, Office of the Governor

---

<sup>1</sup> Executive Department, State of California, Proclamation of a State of Emergency, <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.4.20-Coronavirus-SOE-Proclamation.pdf>.

<sup>2</sup> Executive Order N-33-20, <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.19.20-attested-EO-N-33-20-COVID-19-HEALTH-ORDER.pdf>.

<sup>3</sup> Letter from Gavin Newsom, Governor of California, to The Honorable Donald J. Trump, President of the United States (Mar. 18, 2020) <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.18.20-Letter-USNS-Mercy-Hospital-Ship.pdf>.

<sup>4</sup> Letter from Gavin Newsom, Governor of California, to The Honorable Nancy Pelosi, Speaker of the U.S. House of Representatives, The Honorable Mitch McConnell, Majority Leader of the U.S. Senate, The Honorable Kevin McCarthy, Republican Leader of the U.S. House of Representatives, The Honorable Chuck Schumer, Democratic Leader of the U.S. Senate (Mar. 19, 2020), <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.19.20-Letter.pdf>.

<sup>5</sup> Kori Hale, "The Economic Impact of COVID-19 Will Hit Minorities the Hardest," *Forbes* (Mar. 17, 2020), <https://www.forbes.com/sites/korihale/2020/03/17/the-economic-impact-of-covid-19-will-hit-minorities-the-hardest/#13be525110c0>.

<sup>6</sup> CARES Act, H.R. 748, 116th Cong. (2020).

<sup>7</sup> Judicial Council of California, Statewide Order by Hon. Tani G. Cantil-Sakauye, Chief Justice of California and Chair of the Judicial Council (Mar. 23, 2020), [http://sonoma.courts.ca.gov/sites/all/assets/pdfs/general-info/Statewide%20Order%20by%20the%20Chief%20Justice-Chair%20of%20the%20Judicial%20Council%20\(3-23-2020\).pdf](http://sonoma.courts.ca.gov/sites/all/assets/pdfs/general-info/Statewide%20Order%20by%20the%20Chief%20Justice-Chair%20of%20the%20Judicial%20Council%20(3-23-2020).pdf).

<sup>8</sup> City of Chicago, Office of the Mayor, Mayor Lightfoot Announces Temporary Suspension of Debt Collection, Ticketing and Towing Practices to Provide Relief In Response to the COVID-19 Outbreak (Mar. 18, 2020), <https://www.chicago.gov/content/dam/city/depts/mayor/Press%20Room/Press%20Releases/2020/March/SuspensionTicketingDebt.pdf>.

<sup>9</sup> Hannah Bueller, "City of Buffalo Suspends School Speed Zone Enforcement, Closes City Hall," *WKBW Buffalo* (Mar. 16, 2020), <https://www.wkbw.com/news/local-news/city-of-buffalo-suspends-school-speed-zone-enforcement-closes-city-hall>.

---

<sup>10</sup> Minnesota Judicial Branch, Late Penalties, Collections Referrals, and Drivers' License Suspensions Temporarily Stopped to Reduce Courthouse Visits (Mar. 17, 2020), <http://mncourts.gov/About-The-Courts/NewsAndAnnouncements/ItemDetail.aspx?id=1865>.

<sup>11</sup> See Fines and Fees Justice Center, "COVID-19 Crisis: FFJC Policy Recommendations and Reform Tracker," <https://finesandfeesjusticecenter.org/articles/ffjc-policy-recommendations-for-the-covid-19-crisis/>.

<sup>12</sup> Tani Cantil-Sakauye, California Chief Justice, Second Advisory on Emergency Relief Measures (Mar. 20, 2020), <https://newsroom.courts.ca.gov/news/california-chief-justice-issues-second-advisory-on-emergency-relief-measures>.

<sup>13</sup> California Courts, Court Emergency Orders, <https://newsroom.courts.ca.gov/news/court-emergency-orders-6794321>.

<sup>14</sup> For example, San Bernardino County, Presiding Judge Michael A. Sachs Issues Implementation Order to Continue All Non-Emergency Matters Due To COVID-19 Pandemic (Mar. 18, 2020), <https://www.sb-court.org/sites/default/files/News%20Notices/PIsachsIssuesImplementationOrderToContinueAllNonEmergencyMatters.pdf>;

Fresno County, Notification Regarding Amended Appearance and Payment Dates [http://www.fresno.courts.ca.gov/\\_pdfs/COVID-19%20Notification%20Regarding%20Traffic%20Cases.pdf](http://www.fresno.courts.ca.gov/_pdfs/COVID-19%20Notification%20Regarding%20Traffic%20Cases.pdf).

<sup>15</sup> CA Child Support Services, COVID-19 Updates, <https://childsupport.ca.gov/covid-19-updates/>.

<sup>16</sup> All counties have ended the imposition of all fees imposed on youth in the juvenile system and their families. Thirty-six California counties have ended the collection of all previously imposed juvenile fees. See UC Berkeley Law, Policy Advocacy Clinic, Fee Abolition and the Promise of Debt-Free Justice for Young People and their Families in California (2019), [https://www.law.berkeley.edu/wp-content/uploads/2019/10/SB-190-Implementation-Report11\\_10\\_31\\_19.pdf](https://www.law.berkeley.edu/wp-content/uploads/2019/10/SB-190-Implementation-Report11_10_31_19.pdf).

<sup>17</sup> San Francisco, Alameda, and Los Angeles Counties have ended the imposition and collection of all criminal fees over which they have discretion. Contra Costa County has placed a moratorium on the imposition and collection of all criminal fees.

<sup>18</sup> S. 144, 2019-2020 Reg. Sess. (Cal. 2019) (ending imposition and collection of certain criminal fees as well as discharging all outstanding amounts); S. 1290, 2019-2020 Reg. Sess. (Cal. 2020) (ending collection of all juvenile fees as well as discharging all outstanding amounts).

<sup>19</sup> We have included this as a request even though we understand that the State Controller's Office will be suspending the Franchise Tax Board's collection efforts and releasing more details soon.