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My name is Sarah Poriss and I submit this testimony in support of S.B. No. 906, An Act Concerning Direct Deposit of Wages.

I am a solo attorney and I work almost exclusively with clients who are in debt or who are in foreclosure. Almost every week I receive calls from people who learn that their bank accounts have been subject to execution; they are in a panic: they can't buy groceries, they can't make their rent or mortgage payments and can't make their car payments. They are usually already financially strained and then they learn there is a hold on their account. When they call me they are embarrassed, confused, frustrated and desperate for help. In almost every situation, the caller's wages have just been direct deposited into their bank accounts and they did not know their account was subject to a bank execution. They almost always have also just written checks for rent or car payments from their accounts that will inevitably be dishonored as a result of the bank execution, which will then cause them to incur additional bank fees as well as late fees charged by their creditors/landlords/mortgage lenders. Many times consumers do not even know they had been sued or that there was a judgment against them- but that is another issue to be addressed by a different bill on a different day.

The most I can do for people in this situation is to assure them that future pay checks will not be garnished, and I explain the process of seeking an exemption from the execution. There is already a "catch-all" exemption of up to \$1000, but claiming the exemption is a long, drawn-out process that takes up the resources of the bank and the court. When this "catch-all" exemption is claimed, the judgment creditor and the court almost always agree to release the funds. In the short term the consumer has to wait for their next paycheck which is usually two weeks away; even one week is an eternity when you are already living paycheck to paycheck. The hearing on the claim for exemption from the execution is often 3-4 weeks away from the date the claim is made. The consumer is set back financially by at least a month, and even when their exemption claim is granted, it is difficult to catch up.

This bill will assure that banks will receive the information that will allow them to readily identify these deposits as being wages. The bill does not change the bank account execution statute itself, but it lays the groundwork for changing it in the future. It is therefore crucial for employers to be required to identify payroll direct deposits as wages, and then for bank employees to be educated that they are not to freeze or release up to \$1000 in funds identified as coming from payroll or wages, so that hard-working, already financially strapped consumers are not put even further behind by a bank execution.

Thank you.