



cdcbaa President’s Message	
Roksana D. Moradi-Brovia	1
Too Broke For A Fresh Start	
Hon. Henry Callaway and Jonathan Petts	1
Upcoming Calendar	3
Program Summary	
Gary R. Wallace	4
Membership Application	8

President’s Message by Roksana D. Moradi-Brovia

Dear Members and Friends of the *cdcbaa*,

This year has started off with record attendance both in-person at Southwestern Law School and with live-streaming – we average just shy of 30 participants via remote participation on Zoom.us at each program! Many thanks to our former President Peter Lively for spearheading the effort to allow our geographically spread-out members to enjoy and learn right along with those attending in person.

We are continuing to work hard on seminars covering topics such as recent and relevant Supreme Court cases; business management, marketing and ethics; and Chapter 13 issues related to Rule 3002.1, PPFNs payment charge notices, escrow analysis, notices of final cure; postpetition financing, incurring debt in all chapters, sales in bankruptcy, and redemptions.

I would like to thank our Website Committee Chair, Marcus Tiggs, for his efforts to get our new website up-and-running; we will have a special membership meeting at the program on April 6 and discuss all the new features and perks of the website and the new list-serve.

Many thanks to our entire board of directors and our other members who volunteer their time, energy and

Continued on Page 2

Too Broke For A Fresh Start by Hon. Henry Callaway and Jonathan Petts

Consumer bankruptcy was designed to provide a “new opportunity in life and a clear field for future effort.”¹ In addition to erasing unsecured debt and stopping wage garnishment, chapter 7 increases debtors’ employment outcomes by 12 percent,² and often improves access to credit after discharge.³ In short, the fresh start is a powerful poverty-fighting tool.

However, over the last decade, chapter 7’s fresh start has become steadily less accessible for low income Americans. Since the financial crisis, the number of individual chapter 7 filings has steadily decreased.⁴ While many factors account for this drop, one of the most significant factors is also among the least discussed: the rising cost of filing. Since 2005, added regulations have significantly increased the costs of providing legal services to chapter 7 debtors. In many markets, the cost of filing has more than doubled, putting a chapter 7 discharge outside the reach of many low-income debtors.⁵

Debtors who cannot afford a chapter 7 attorney might file a deficient pro se petition, fall prey to an unscrupulous bankruptcy petition preparer, or file a “no-money-down” chapter 13 case that is (in some jurisdictions) likely to be dismissed without any lasting debt relief. Lacking funds for the filing and attorney fees, these financially stressed debtors might not be able to file at all in some cases. In turn, they suffer from the lack of housing, food and basic utilities that often accompany severe debt.

Attorneys’ fees are only likely to increase in the coming years, leading to a worsening of the problem. While the goal of finding a pro bono attorney to represent indigent debtors is laudable, history has shown that there are never enough pro bono attorneys to meet the demand. In this article, the current “too broke for a

Continued on Page 2

1 Local Loan Co. v. Hunt, 292 U.S. 234, 244 (1934).
 2 Daphne Chen and Jake Zhao, “The Impact of Personal Bankruptcy on Labor Supply,” 26 Review of Economic Dynamics, 40-61 (2017).
 3 Julapa Jagtiani and Wenli Li, “Credit Access After Consumer Bankruptcy Filing: New Evidence,” FRB of Philadelphia Working Paper No. 14-25, Aug. 7, 2014 (average credit score of chapter 7 filers in 2010 study went from 538 to 620 after discharge).
 4 See “Caseload Statistics Data Tables,” U.S. Courts, available at uscourts.gov/statisticsreports/caseload-statistics-data-tables (unless otherwise specified, all links in this article were last visited on Jan. 3, 2019).
 5 Stefania Albanesi and Jaromir Nosal, “Insolvency After the 2005 Bankruptcy Reform,” FRB of New York Staff Reports, April 2015.

President's Message Continued From Page 1

knowledge to the success of our group!

If you have not already done so, please renew your *cdcbaa* membership. Please also consider introducing colleagues to the *cdcbaa* and encourage them sign up for what promises to be a fantastic rest of 2019.

Todd Turoci edited this Newsletter and will be working on publishing at least one more this year. If you have an idea for an article or want to brief a case, please contact him.



Roksana D. Moradi-Brovia
Partner with
Resnik Hayes Moradi LLP

She practices extensively in debtor representation in Chapter 11 Bankruptcy and related matters.

Too Broke For A Fresh Start Continued from Page 1

fresh start" problem will be discussed, and two experiments to increase access to chapter 7 using technology, electronic self-representation and online legal aid will be explored.

The Rising Costs of Chapter 7

In 2005, Congress passed the Bankruptcy Abuse Prevention and Consumer Protection Act (BAPCPA), which made a number of changes to bankruptcy law that were intended to prevent abuse of the bankruptcy system. Under BAPCPA, Congress significantly increased the amount of documentation that a debtor must provide their trustee to obtain a discharge, imposed personal liability on debtors' counsel for the accuracy of a debtor's bankruptcy forms, and required debtors to attend paid financial counseling sessions before and after filing in order to obtain a discharge (among other things).⁶

These new requirements significantly increased the cost of providing chapter 7 representation.⁷ Obtaining financial documents from debtors and fact-checking the provided information are both a challenging and time-consuming process. Because attorneys "have nothing to sell besides their time," the cost of the additional time incurred was necessarily passed on to debtors, as was the cost of the new bankruptcy courses.

As a result, between 2003 and 2009, the national mean attorneys' fee in no-asset chapter 7 cases increased 48 percent from \$654 to \$968.⁸ This increase is likely underestimated for 2018, as the cost of chapter 7 now often reaches \$2,000 in some markets. This rise in filing costs has priced many debtors out of the bankruptcy system and, in the view of some scholars, has generated a permanent drop in the chapter 7 filing rate.⁹

Consequences of Increased Costs

Low-income debtors who cannot afford to pay chapter 7 attorneys' fees up front often face one of four negative outcomes: (1) remaining stuck in debt outside bankruptcy protection; (2) filing deficient pro se petitions; (3) falling prey to fraudulent petition-preparers; or (4) filing a no-money-down chapter 13 case that is likely to result in dismissal without any lasting debt relief.

Living in Debt

The most common approach to the unaffordability of chapter 7 is simply "doing nothing." This approach avoids the cost of attorneys' and court fees, but is not

Continued on Page 3

⁶ Lisa Guerin, "The New Bankruptcy Law: The Bankruptcy Reform Act of 2005," The Bankruptcy Site, available at thebankruptcysite.org/bankruptcy-law-changes.

⁷ Lois R. Lupica, "The Consumer Bankruptcy Fee Study: Final Report," 20 ABI Law Review 17 (Spring 2012), available at abi.org/member-resources/law-review.

⁸ Id.

⁹ See Albanesi and Nosal, supra n.5.

2019 Committee Chairs

**Awards Dinner
Committee Chair:**
Keith Higginbotham

**Program Summary
Committee Chair:**
Gary Wallace

Chapter 13 Liaison:
Nancy Clark

**Program Survey
Committee Chair:**
Hale Andrew Antico

**MCLE Certification
Committee Chair:**
Daniela Romero

**Pro Bono Representative
Committee Chair:**
Christian Cooper

**Co-MCLE Program
Committee Chairs:**
*Roksana D. Moradi-Brovia
Jon Hayes*

**Refreshments Committee
Chair:**
Bert Kawahara

**James T. King Symposium
Committee Chair:**
Jon Hayes

**Sergeant-At-Arms/
List Serve Protocol:**
Dennis McGoldrick

**Membership
Committee Chair:**
David Shevitz

**Southwestern
Representative
Committee Chair:**
Daniela Romero

**Newsletter Committee
Chair:**
Todd Turoci

**Trustee Liason
Committee Chair:**
Lucy Mavyan

Photographer:
Eric Mitnick

Website Committee Chair:
Marcus Tiggs

You do not have to be a Board Member to join a committee. If you are interested in joining a committee please contact the president.

cdcbaa Programs Upcoming Calendar

4/06/2019

Business Management, Marketing and Ethics

6/08/2019

Judges on Trial

July/August TBD

Rule 3002.1; PPFNs Payment Change Notices;
Escrow Analysis; Notices of Final Cure

Meetings to be held at Southwestern Law School,
Westmoreland Building - 3rd Floor.
3050 Wilshire Boulevard, Los Angeles, CA 90010

Registration: 10:00 a.m. - 11:00 a.m.

cdcbaa Membership Meeting: 10:30 a.m. - 11:00 a.m.

Program: 11:00 a.m. - 1:00 p.m.

2 Hours of MCLE Credit to be Provided

On Site Parking: \$10

Please check www.bklawyers.org for up to
date MCLE meeting information.

cdcbaa

Central District of California Bankruptcy Attorneys' Association

Roksana D. Moradi-Brovica: President

Hale Andrew Antico: Vice President

David Jacob: Secretary

Jeffrey Hagen: Treasurer

Peter Lively: Immediate Past-President

2019 Board of Directors

Hale Antico	Peter Lively
Raymond H. Aver	Lucy Mavyan
Christian Cooper	Dennis McGoldrick
Jeffrey Hagen	Roksana D. Moradi-Brovica
Stella Havkin	Daniela Romero
Jon Hayes	David Shevitz
Keith Higginbotham	Marcus Tiggs
David Jacob	Todd Turoci
Nina Javan	Gary Wallace

Administrator: Linda E. Righi, cdcbaa@aol.com

Too Broke For A Fresh Start *Continued*

without other costs. Debtors who need a fresh start but live outside bankruptcy protection often go without health care, food and utilities, and lose homes and other property.¹⁰

The costs of remaining in debt are not just financial. Research indicates that living in a state of financial scarcity impedes the ability to lead a productive life because simply determining how one will survive day to day depletes mental resources for dealing with anything else, including one's job.¹¹

Deficient Pro Se Petitions

Many debtors who cannot afford chapter 7 counsel attempt to file pro se by downloading forms from court websites and completing them on their own. The results are often poor, with missing forms, "chicken-scratch" schedules and incomplete creditor-counseling courses. These and other mistakes often lead to cases being dismissed for routine mistakes that could have been easily avoided with the assistance of counsel.

Unscrupulous Petition-Preparers

Steep attorney and court fees for chapter 7 also lead many debtors to bankruptcy petition-preparers, who

promise a fresh start at rock-bottom prices. Although there are many competent petition-preparers,¹² too many provide debtors with inaccurate and incomplete schedules. Pro Publica recently documented an industry of petition-preparers in Los Angeles who violate bankruptcy law regulations and skirt enforcement by having multiple related individuals acquire a fractional interest in a property subject to foreclosure before filing a chapter 13 case for each individual, thereby delaying the foreclosure process for days or months.¹³

Bankruptcy courts in other parts of the nation with high numbers of pro se filings — such as Phoenix, Atlanta, Detroit and Milwaukee — also have similar fraud problems with unscrupulous petition-preparers who flout the unauthorized-practice-of-law rules and overcharge for their services, particularly for minority and immigrant debtors.¹⁴ As Bankruptcy Judge Maureen A. Tighe (C.D. Cal.; Woodland Hills) told Pro Publica, "There are all these people [who] need the relief of the bankruptcy system, who can't afford it. And they fall prey to these fraudster [petition-preparers]. If we had adequate access to our legal system, there would not be this wonderful ripe field for picking by the fraud artists."¹⁵

Continued on Page 5

¹² Hon. Maureen A. Tighe, "Seeking Innovation to Address Low-Income Access to Bankruptcy," XXXVII ABI Journal 11, 38-39, 60, November 2018, available at abi.org/abi-journal.

¹³ Paul Kiel, "How to Get Away with Bankruptcy Fraud," Pro Publica, Dec. 22, 2017.

¹⁴ Id.

¹⁵ Id.

¹⁰ See generally Pamela Foohey, Robert Lawless and Katherine Porter, "Life in the Sweatbox," 94 Notre Dame Law Review (2018).

¹¹ Sendhil Mullainathan and Eldar Sharif, Scarcity: Why Having Too Little Means So Much, 1-52 (2013) (discussing how lack of valuable resource like money "captures the mind" and reduces a person's IQ by equivalent of 13-14 points).

Program Summaries

By Gary R. Wallace

***cdcbaa* Holds First Meeting and MCLE Program of 2019: "13th Annual Review of 9th Circuit Decisions on Bankruptcy in 2018."**

On January 12, 2019, the *cdcbaa* held its first members meeting and MCLE program of the year at Southwestern Law School. Continuing a now popular tradition, the program featured, for the thirteenth consecutive year, a review of the prior year's notable decisions on bankruptcy. The distinguished panel was led by past president M. Jonathan Hayes, who moderated, and featured the Honorable Christopher Klein, bankruptcy judge for the Eastern District of California, and the Honorable Neil Bason, bankruptcy judge for the Central District of California.



A detailed handout prepared by Mr. Hayes, which contains summaries of more than forty recent decisions from the United States Supreme Court and courts within the 9th Circuit, was available to all attendees. Many of the

summarized 2018 cases were discussed and commented on by the panel during the two-hour presentation. Such case discussions included the Supreme Court's decision in *Lamar, Archer & Cofrin, LLP v. Appling*, 548 U.S. ___, 138 S.Ct 1752 (2018), in which the Court found that a statement respecting the debtor's financial condition can consist of a single asset for purposes of defeating a non-dischargeability complaint under section 523(a)(2)(A), and the 9th Circuit's decision in *Lorenzen v. Taggart* (In re Taggart), 888 F.3d 438 (9th Cir. April, 2018) on the issue of whether a good faith belief that a discharge injunction does not apply is sufficient to defeat contempt even if the belief is unreasonable (current answer: yes). The Taggart decision, incidentally, has just been certified for review by the United States Supreme Court. Other decisions affecting Chapter 13 matters, exemptions, Chapter 11 plan confirmation requirements and attorney conflicts were also discussed.

The program was well-attended and, by all accounts, well-received.

***cdcbaa* Holds Second Meeting and MCLE Program of 2019: "Everything Proofs of Claim"**

On February 23, 2019, the *cdcbaa* held its second members meeting and MCLE program of the year at Southwestern Law School. The topic of the program was "Everything Proofs of Claim." The distinguished panel was led by United States Bankruptcy Judge for the Central District of California, the Honorable Vincent P. Zurzolo, and



Nina Javan, Nancy Zamora, and the Honorable Vincent Zurzolo discussing in-depth issues re: Proofs of Claim.

also featured long-time Central District Chapter 7 Trustee Nancy Zamora and *cdcbaa*'s newest director, Nina Javan, Esq, of Weintraub & Seth APC.

As the program's title implied, the panel provided both basic nuts & bolts information as well as deeper insight and strategy on a full range of subtopics such as: who may file a proof of claim, the specific requirements for filing a timely and proper proof of claim, the effect of a properly filed proof of claim, what constitutes a proper informal claim, amending and withdrawing claims, and objecting to claims. Jurisdictional issues were also touched on. The discussion was helpfully supplemented by specific references to applicable code sections, rules and relevant case authority. As might be expected, the attendees also benefitted by listening to the panel's real world experiences, as presented from their different perspectives: the practitioner, the trustee and the bench. The panel also kindly permitted extensive questioning from attendees.

As is customary, a detailed handout for the program was available to all attendees. The program was well-attended, both in-person and via remote link, and by all accounts well-received.



Our distinguished president, Roksana D. Moradi-Brovia moderating a lively discussion about the newest 9th Circuit Law. Panelists included Honorable Christopher Klein, M. Jonathan Hayes, and the Honorable Neil Bason.

Too Broke For A Fresh Start *Continued*

No-Money-Down Chapter 13s

Lastly, many debtors who are unable to afford chapter 7 end up filing a no-money-down chapter 13 case that is likely to face dismissal without lasting debt relief. Data from a national study suggests that these filers pay \$2,000 more and have their cases dismissed at a rate 18 times higher than if they had filed chapter 7.¹⁶

This problem is particularly prevalent among one segment of U.S. debtors: According to public data, low-income African-Americans in the South are far less likely to attain lasting debt relief from bankruptcy because steep up-front chapter 7 fees force them to choose chapter 13 plans that are ultimately more expensive and far more likely to fail.¹⁷ Specifically, the odds of African-American debtors choosing chapter 13 instead of chapter 7 were more than twice as high as for Caucasian debtors with a similar financial profile.¹⁸ Once they chose chapter 13, the odds of their cases ending in dismissal were about 50 percent higher.¹⁹

Once these debtors' cases are dismissed and they leave chapter 13 protection, they are often in a far worse financial position. The interest on their debt continues to compound, so they wind up paying the costs of bankruptcy anyway — attorney and court fees and a seven-year flag on their credit report — without receiving the main benefit of bankruptcy: a fresh start.

Potential Improvements

Given the severity of the current access problem, we must consider new approaches to make chapter 7 more accessible. The bad news is that there is no quick fix. All approaches must be balanced with the need to protect debtors who do file. However, there is good news: There are experiments that can be quickly implemented and tested to measure their efficacy. Two such experiments are electronic self-representation (eSR) and online legal aid.

Electronic Self-Representation

To improve access to chapter 7 for low-income filers, the Administrative Office of the U.S. Courts is piloting an eSR system in the U.S. Bankruptcy Courts for the Central District of California, District of New Jersey and District of New Mexico.²⁰ This is a free online tool to help individuals complete a chapter 7 petition upon

¹⁶ Katherine Porter, Pamela Foohey, Robert Lawless and Deborah Thorne, "'No Money Down' Bankruptcy," 90 S. Cal. L. Rev. 1055 (2017). For condensed version of this article, see Pamela Foohey, Robert M. Lawless, Katherine Porter and Deborah Thorne, "Attorneys' Fees and Chapter Choice: Exploring 'No Money Down' Chapter 13 Bankruptcy," XXXVI ABI Journal 6, 20, 62-63, June 2017, available at abi.org/abi-journal.

¹⁷ Paul Kiel, "How Our Bankruptcy System Is Failing Black Americans," Pro Publica, Sept. 27, 2017.

¹⁸ Id.

¹⁹ Id.

²⁰ See "Electronic Self-Representation (eSR) Bankruptcy Petition Preparation System for Chapter 7," U.S. Bankruptcy Court (C.D. Cal.), available at www.cacb.uscourts.gov/esr.

Support the *cdcbaa*

The *cdcbaa* strives to provide quality continuing legal education and events.

The following sponsorship opportunities are available:

MCLE Program Sponsorship

Table at MCLE annual case review and symposium and 5 minutes to present to membership at start of meeting \$500

Table at MCLE events other than annual case review and symposium and 5 minutes to present to membership at start of meeting \$250

*\$50 Discount per event if agree in advance to sponsor more than two events per year (i.e., \$600 instead of \$750 if sponsor three programs). Note: we reserve the right to book additional sponsors.

Newsletter Sponsorship

Newsletter Business Card Size Ad \$250/issue (1 issue); \$150/issue (3 issues)

Newsletter 1/4 Page Ad \$350/issue (1 issue); \$250/issue (3 issues)

Newsletter 1/2 Page Ad \$500/issue (1 issue); \$300/issue (3 issues)

*Discounts available for multiple issues.

Calvin Ashland Awards Dinner Sponsorship

Awards Dinner Table Sign:
\$150 per sign, 3 for \$250, 7 for \$500

Awards Dinner Announcement,
Honorable Mention \$500 - in addition to at least one table sign, sponsor sign, or winner's table

Contact Jeffrey Hagen at (818) 305-6452
or jeff@hagenhagenlaw.com for more information.

deciding to file for bankruptcy without an attorney. Similar to "Turbotax for bankruptcy," eSR allows debtors to answer questions that complete all relevant bankruptcy forms. There are helpful prompts and definitions, as well as the ability to save the document online for review with an attorney at a self-help desk or finish filling out as time allows. The debtor is allowed to file electronically, although local forms and payment must be dropped off by the debtor in person at the courthouse.

Critics of eSR note that in making a simple online filing system available, the bankruptcy courts using it might be seen as endorsing self-representation and encouraging debtors to undertake significant legal decisions without counsel.²¹ However, bankruptcy court websites using eSR repeatedly warn debtors of the risks of pro se filings and the need for representation by counsel where

Continued on Page 6

²¹ Andrew Mansfield, "eSR: A False Sense of Safety and Competence?," Central District of California Bankruptcy Law Blog, Dec. 9, 2016, available at mansfield.law/bankruptcyblog.

Contribute to the Newsletter

Don't be shy! Get involved with the *cdcbaa* newsletter by having your article or advertisement published in an upcoming issue.

Contact Newsletter Editor Todd Turoci at (951) 784-1678 or Todd@theturocifirm.com for more information.

Too Broke For A Fresh Start *Continued*

feasible.²² According to the most recent data available in the Central District California, 81.5 percent of eSR debtors have received a chapter 7 discharge.²³ This discharge rate is significantly better than that of pro se chapter 7 filings undertaken without the benefit of eSR.²⁴ In addition, eSR will be rolled out to all bankruptcy courts using the NextGen system over the next few

²² For example, the U.S. Bankruptcy Court for the Central District of California's website provides the following warning: "Bankruptcy has serious long-term financial and legal consequences and hiring a competent attorney is strongly recommended. The Bankruptcy Court is not permitted to provide legal advice. Individuals filing for bankruptcy without an attorney are still responsible for knowing and following all of the legal requirements. Low or no cost legal resources are available in all divisions of the bankruptcy court." See "Electronic Self-Representation (eSR) Bankruptcy Petition Preparation System for Chapter 7," supra n.20.

²³ "Pro Se Report: 2015-2016," U.S. Bankruptcy Court for Central District of California, p. 11.

²⁴ Id.

years, allowing for the measure of its efficacy and efficiency.

Online Legal Aid

Brick-and-mortar legal-aid organizations have long provided free legal assistance to low-income Americans. However, their resources are limited and most cannot provide bankruptcy assistance in significant volumes.

In 2016, the nonprofit Upsolve was founded out of Harvard Law's Access to Justice Lab to remedy this problem. Upsolve is an online legal aid organization that provides chapter 7 assistance for low-income debtors who need a fresh start but cannot afford counsel. This service was designed with input from an advisory board of leading bankruptcy academics, judges, trustees and practitioners. Similar to eSR, Upsolve is free, thanks to federal funding from the Legal Services Corp. (LSC).²⁵

To start the process, debtors are screened online or by Upsolve's network of brick-and-mortar legal-aid organizations across the U.S. Once qualified, debtors enter their financial information and upload financial documents on Upsolve's website. The website asks

Continued on Page 7

²⁵ In addition to LSC, Upsolve is funded by the Robin Hood Foundation, Public Welfare Foundation, Harvard University, and the foundations of Google Chairman Eric Schmidt and Facebook CEO Mark Zuckerberg.



The Turoci Bankruptcy Firm is Pleased to Announce that Attorney
TODD TUROCI



has been Certified by the American Board of Certification as a
Specialist In Business Bankruptcy Law.

One of the few California Attorneys with this designation, Mr.
Turoci is the **ONLY** Business Bankruptcy Specialist in the Inland
Empire. Having practiced Bankruptcy Law for over 26 years in
the I.E. he's available to assist Debtors in Chapters 7, 11, 12,
and 13.



(888) 332-8362
www.TheTurociFirm.com | mail@theturocifirm.com

At the Turoci Firm we give you the assistance you need to get control of your finances and rebuild your life.

Too Broke For A Fresh Start *Continued*

debtors a series of questions using plain language and visual depictions of complex concepts. These approaches were originally designed by Profs. Lois R. Lupica of the University of Maine School of Law (who served as ABI's Resident Scholar in the fall of 2014), D. James Greiner of Harvard Law School and Dalié Jiménez of the University of California-Irvine School of Law (a 2018 ABI "40 Under 40" honoree) in connection with the Financial Distress Research Project.²⁶

Next, Upsolve attorneys review the resulting bankruptcy forms for accuracy and reach out to the debtor with questions before the debtor files pro se by bringing the forms to the courthouse. Their cases are then tracked on PACER after the filing, and debtors are assisted with amendments and other support when necessary.

By using technology and allowing for remote access, Upsolve can help traditional brick-and-mortar legal-aid offices expand their service capacities. During 2018, Upsolve assisted more than 300 chapter 7 debtors with a 98 percent discharge rate, which compares favorably to the national chapter 7 discharge rate of 96 percent.²⁷ Upsolve has been recognized by the American Bar Association as a top tool for improving access to justice.²⁸

Although Upsolve offers an advantage over eSR's pure pro se model in the form of attorney review, it has a far more limited service capacity than eSR. Most significantly, Upsolve can only serve low-income debtors who cannot afford an attorney, and its policy is that if one can afford an attorney, one should be obtained. In addition, Upsolve currently cannot serve debtors who require joint filings, own real estate or expensive cars, are seeking to discharge student loan debt, or have other complicating factors requiring full representation.

Too Broke for a Fresh Start

Since BAPCPA, the cost of counsel for a routine chapter 7 case has increased beyond the reach of many people to pay for it.²⁹ As a result, many low-income Americans, particularly financially vulnerable minority communities, remain trapped in debt because they cannot access chapter 7.³⁰ There is no reason to believe that this access problem will improve in the future; in fact, just the opposite would appear to be true as bankruptcy attorneys' fees must keep pace with those in other areas of the law.

²⁶ See Greiner, Jiménez and Lupica, "Self-Help Reimagined," 92 Indiana L.J. 119 (2017).

²⁷ See Paul Kiel, "Data Analysis: Bankruptcy and Race in America," Pro Publica, Sept. 27, 2017.

²⁸ Stephen Rynkiewicz, "Best Web Tools of 2018," ABA Journal (December 2018), available at abajournal.com/magazine/article/best_legal_apps_2018.

²⁹ See Albanesi and Nosal, supra n.5.

³⁰ See Kiel, supra n.17.

Bankruptcy Real Estate Partners

COMPASS

Urban HillSides
Team

Darren Hubert / Joe Cloninger

323.489.6810

team@urbanhillsides.com

BRE# 01330183 / 01954784 / 00625769



This crisis of being "too broke for a fresh start" has significant implications on public confidence in the bankruptcy system. Chapter 7 is "a worthless solution if you can't pay because you don't have money," according to one debtor in Indiana. "It's a sad realization that the legal system isn't there for us."³¹ Put differently, the bankruptcy courts risk losing their legitimacy in the eyes of the public when chapter 7 can only be meaningfully accessed by debtors with money.

There are no easy answers to this access crisis. Good attorneys must be paid for their time, and efforts to expand the access for the truly broke must also ensure that debtors who do file have the help they need. However, these challenges should not stop us from experimenting with new approaches to improve access.

The approaches outlined in this article — and others not discussed here³² — deserve to be tested with data so we can see what works for those who cannot afford counsel. As stewards of the bankruptcy system, we have an obligation to find a better path forward for low-income debtors. *abi*

³¹ Paul Kiel, "When You Can't Afford to Go Bankrupt," Pro Publica, March 2, 2018.

³² See, e.g., Tighe, supra n.12 (exploring other options for increasing access to chapter 7 for low income debtors, including certification of petition preparers); Daniel E. Garrison, "Liberating Debtors from 'Sweatbox' and Getting Attorneys Paid: Bifurcating Consumer Chapter 7 Engagements," XXXVII ABI Journal 6, 16, 66-68, June 2018, available at abi.org/abi-journal (arguing that bifurcation of attorneys' fees is a promising solution for increasing access to chapter 7).



2019 Membership

I hereby apply for membership in the cdcbaa, Central District Consumer Bankruptcy Attorneys Association, a nonprofit association, for calendar year 2019. I understand the basic goals of the organization are to: address issues and concerns which affect consumer bankruptcy attorneys and their clients in the Central District of California; and to provide educational and networking opportunities for attorneys who primarily represent consumer bankruptcy debtors. As a condition of membership, I declare as follows:

- 1. I am a duly-licensed attorney presently authorized to practice law in the Central District of California; and
2. I am interested in consumer debtor practice; and
3. I support the basic goals of the cdcbaa as outlined above.

I understand the cdcbaa is incorporated as a 501(c)(6) nonprofit organization and that a portion of my dues will not be deductible as a business expense because cdcbaa advocates within California for legislation on behalf of consumer debtors.

The 2019 calendar year membership fee is \$250.00, and includes one ticket to the Calvin Ashland Awards Dinner

Join Online at http://bklawyers.org/become-a-member

Name:
Bar Number:
Firm:
Address:
City: State: Zip:
Telephone: Fax:
E-Mail:
Website URL:

Signature: Date:

Membership Fee: \$250.00
Please make checks payable to: cdcbaa

Mail this completed form and application fee to:
cdcbaa
Attn: Linda Righi, Administrator
c/o Jeffrey Hagen, Treasurer
4559 San Blas Avenue
Woodland Hills, CA 91364