

# NEW YORK CITY CIVIL COURT

Bankruptcy: The Changes In The Law

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MR. WILLIAM KRANSDORF: Good afternoon, everybody. I'm Bill Kransdorf. I'm the Coordinator of the New York City Bankruptcy Assistance Project. I want to thank you all for coming, and those of you over in Staten Island I want to thank you for coming as well. I'm going to be talking to you today about bankruptcy and how it works and what it does for people.

Some of you may have heard that there have been some changes to the bankruptcy law. They were passed last year by the Congress and what I'm going to be telling you today will give you an idea of what bankruptcy looks like in the wake of that Bankruptcy Reform Act.

Some of you may have come away from - if you did follow the news about bankruptcy last year you may have gotten the impression that bankruptcy no longer exists. It's not the case. In fact,

Chapter Seven bankruptcy is about as available now as it ever was for most people, and Chapter 13 bankruptcy is even less affected in terms of who can apply, who can file a Chapter Seven or a Chapter 13 bankruptcy. It's pretty much the same group of people as it was before.

What's changed in the law is that it's now harder to file bankruptcy. There's more work that has to be done by the debtors who file bankruptcy, and there's more work that has to be done by attorneys who help the debtors who file bankruptcy. If you want to file bankruptcy you now have to go to classes to learn about credit counseling and debt management and those are new requirements.

It used to be a little bit easier for people who wanted to file a bankruptcy without a lawyer to prepare the papers on their own and it's definitely harder to do that now. The project that I work for,

the New York City Bankruptcy Assistance Project, provides free legal assistance to people who want to do bankruptcy in New York City if they are low income, and I'll talk a little bit more about that at the end of this presentation. But in general, bankruptcy is still available. It's a little bit harder to do. If you're hiring an attorney it's going to cost you a little bit more, but it's still there.

Let's back up a little bit and ask, what is bankruptcy? When I'm talking about bankruptcy, what am I talking about? You may be surprised to learn that bankruptcy, which most people think of as relief from creditors, it was invented by creditors. It was seen as a way for creditors to get a fair distribution of whatever assets were available and then let a debtor go on their way. Now, if that sounds kind of crazy, let me tell you what was there beforehand. We had

something - it was debtor's prison, and basically what would happen is that the bankruptcy - people could file bankruptcy, but what could often happen was that people could wind up - for not paying their bills they could go to jail, wind up in prison where they wouldn't be able to work and earn money to pay off their creditors.

At some point creditors began to realize that the effect of debtor's prison was to - result was to give them less money that could be gotten to pay off debts, and that the people who were in debtor's prison could not return to any kind of productive life. So that idea, the idea of bankruptcy as a way for people to basically do what they can for the creditors they have and then move on with their life and get a fresh start is something that western countries in particular, in Europe and the United

States and in other countries, saw an advantage, as an economic advantage. It was enough of an advantage that when the Constitution of the United States was written, bankruptcy law was, or the idea of a Bankruptcy Court, was specified in the Constitution. So you could say, although it's a bit of a - there's an argument to be said that the Constitution guarantees a right to bankruptcy relief when it's necessary.

All right, so that's - what bankruptcy is about in general, then, is about giving people a fresh start, something that's going to give them an opportunity to do what they can for the creditors they have and then move on with their lives and resume being productive members of society who pay bills and pay rent and feed their families and do everything else that we all want to do. So, you know, it's kind of a recognition

that you can't - there's a limit to what you can do when people can't pay all the debts they have.

So what can bankruptcy do as it exists now, you might ask. And the most important - there are two important aspects of what you get when you file a bankruptcy now, and this is true whatever kind of bankruptcy Petition you might file.

The first thing you get when you file bankruptcy is something called the Stay. The Stay is a court order that stops creditors from taking any collection action against you. Once the Stay goes into effect, and it goes into effect the moment your bankruptcy Petition is filed, creditors cannot garnish your wages. They can't seize money in your bank account. They can't call you up and harass you and your family on the phone. They can't even send you letters. If they have begun an

eviction action against you or a foreclosure proceeding against you, the creditor has to ask permission from the Bankruptcy Court before they're allowed to go forward and proceed with those collection actions. So the first thing that happens is the Stay. It's a very important thing. It can sometimes be a lifesaver for people. If you've got \$1,000.00 in the bank and some creditor comes along and freezes the money in the bank account, the relief that comes from a bankruptcy Stay can be very, very important.

The second thing that people get when they file bankruptcy is what we call Discharge. It's what most people think of when you think of bankruptcy. It's the thing that makes those debts go away. Not all debts get discharged in bankruptcy, but most of them do. Certainly, most credit card debts, just about any medical

bill will get discharged in bankruptcy, and many other kinds of unsecured debts. The Discharge says that this debt is no longer collectible and that no matter what happens, no matter what you earn or what good fortune you come into after the bankruptcy, you're safe from that debt from that point going forward. So Discharge is a very powerful thing as well.

Not everything gets treated the same in bankruptcy. Not every debt gets treated the same, and probably the most important distinctions as far as discharges are secured debts. If you have a secured debt, that means that there is some property that you have that is collateral for the debt. The most common examples of those are car loans and home mortgages. If you've got one of those, where the creditor has the right to repossess the car or foreclose on the home

if you don't make the payments, that's a secured debt, and a secured debt does not go away in bankruptcy. What people usually do is one of two things when they file bankruptcy. They either reaffirm a secure debt, which is that they make a new promise to pay that debt, or they will surrender the secured property. They'll just hand it over to the creditor and let it go, and that way they can walk away from the debt without any further obligations.

There are other things you can do with secured debts as well, but those are sort of the two most common solutions that people do when they have a secured debt.

There are some other debts that get special treatment in bankruptcy. Most of them are what we call priority debts. Priority debts mean that they get priority treatment under the Bankruptcy Code. For example, child support payments, or child

support arrearages, I should say. Child support arrearages don't get discharged in bankruptcy. There's just no exceptions to that. They don't get discharged.

Similarly, if you owe tax debts they may or not be dischargeable, depending on how old they are. As I stand here today, it's 2006. If you have tax debts from 2002 you would be able to discharge them in bankruptcy if you had filed a return on time. But if you have more recent tax debts, 2003 for example, they wouldn't be dischargeable until they were three years old.

There are some other debts that are called priority debts, but most of them don't apply to the average consumer debtor. Other things that don't get discharged in bankruptcy, if you owe criminal fines or restitution or something like that to a government agency it won't get discharged in bankruptcy.

Some things do get discharged that can be very helpful. If you have, for example, tickets or fines that caused your license to be suspended, bankruptcy not only discharges those debts - now that's not true for a traffic moving violation, but for parking tickets you can get the debts discharged, and if your license has been suspended, the suspension will be released once the debt has been discharged.

So those are some of the - there's another category of debt that gets special treatment in bankruptcy. It's not called the priority debt, but it gets treated like a priority debt and those are student loan obligations. Does anybody here have a student loan obligation? Those are the real challenges.

Now, when I went to law school a while back they had a different rule that said, you know, if you try your best to

pay the student loans for seven years and lo and behold you just can't make it, well, you can file bankruptcy and if you've been trying for seven years, then they all get discharged. And on that basis I said well, I can try this law thing and see if it works out and if it doesn't - you know, I'm probably the only person that thought this, but there I was making that plan. And it didn't work out because before I got my seven years, they changed the law on me and now they just don't discharge, with one exception. And that exception is what's called the hardship discharge.

Actually, it's not true that there's one exception. There's a couple of other exceptions, but the main one is a hardship discharge. Student loans can be discharged if you have a student loan debt that you're just never going to be able to repay because of circumstances in your

life. The most common example of a student loan discharge based on hardship is when you have a disability that keeps you from having gainful employment. You know, if you went to college and law school to become a lawyer and then you had a car accident and you couldn't talk any more, that might hinder your ability to practice law and then you might have grounds for a student loan discharge. You would probably have to hurt your hands a lot, too, but anyway. So lawyers, you know, they never get a break on student loan discharges. Just forget it.

But generally, there are things you can do when you're in a situation where you're never going to be able to repay a student loan debt, and if you think you might be in that situation you should talk to a bankruptcy attorney about it. Those are the debts that generally don't get discharged in bankruptcy.

There are a couple of different Chapters that we talk about when we talk about bankruptcy. You may have heard the terms, Chapter Seven bankruptcy, Chapter 11 bankruptcy, and Chapter 13 bankruptcy. Those are the ones that most people have ever heard of. There's really only two that consumer debtors are ever looking at unless you've got enormous debts, like over \$200,000.00. I think it's over \$700,000.00 for unsecured debts. Those two are Chapter 13 bankruptcy - that's the one where you enter into a repayment plan that lasts from three to five years, or Chapter Seven bankruptcy. That's the one most of us think of. When we think of bankruptcy, we call it liquidation or we call it straight bankruptcy. Chapter Seven is the one where you wipe out all your debts without making any payments, all your debts that are dischargeable.

Chapter 13 is not usually

something that people want to do because it means that you're going to be making payments to creditors that you might otherwise be able to, you know, get rid of these debts without paying anything to them. However, there are some situations where people need to file Chapter 13.

In general, I think 80% of all the bankruptcy Petitions that get filed in the United States are Chapter Seven bankruptcies, that straight bankruptcy where you wipe everything out. It takes about three months, and then maybe 19% are Chapter 13's and less than 1% are Chapter 11's.

Does anybody know what a Chapter Nine is? That's when a government goes bankrupt. They file Chapter Nine. Those happen once in a while. Does anybody remember when Orange County, California, went bankrupt a few years back? Actually, I think there was a city in New Jersey

that went bankrupt a little while back. When that happens they file a Chapter Nine, but those are really rare. So are Chapter 11's.

All right, so Chapter 13 is the one that's for people who have got a special situation that keeps them from filing Chapter Seven in most cases. It may be that you have personal property or real property that you wouldn't be able to protect if you file Chapter Seven bankruptcy and you would lose it if you file Chapter Seven, so then you want to file a Chapter 13. It may be that you have secured loans such as a home mortgage or a car loan that you're behind on and you need to do something in order to make catch-up payments and get that loan refinanced. Often, a Chapter 13 bankruptcy can stop a home foreclosure and cure the arrearage that led to that home foreclosure. The problem, of course, with

Chapter 13, though, is that you need to have income. You need to have enough income to be able to make the monthly payments that are going to make that Chapter 13 work.

Okay, so Chapter 13 is not something that most people file, but it's something to know about when you're trying to figure out what bankruptcy can do for you.

Chapter Seven is the one that I'm usually talking to people about. In our project, the Bankruptcy Assistance Project, we generally just do Chapter Seven bankruptcies. As I say, that's what most people need to file and they are the simple ones. They take about three months from the time you file a bankruptcy Petition until you receive this lovely little letter in the mail from the court that says all of your debts that are dischargeable have been discharged. And

that's all they tell you and you just have to figure out what the rest of that means.

Chapter Seven is the one, you know, that involves you filing a Petition, and actually this is true with Seven and 13, but it matters a little more in a Chapter Seven.

When you file a bankruptcy Petition, everything that you own, down to the shirt on your back, becomes part of something called the Bankruptcy Estate. And the Bankruptcy Estate is a kind of fiction that says that all of your property is now property of this other thing called the Bankruptcy Estate. It doesn't mean that a bankruptcy judge or trustee is going to come and take the shirt off your back and say, "That's mine now," but in fact, they do have authority over everything that you own during the duration of the bankruptcy case. So they have the right to, for example, if you

could sue the Pathmark because you were in the Pathmark and you twisted your ankle, but you decided you didn't want to sue them because you think there's too much litigation going on in America today and you don't believe in all that stuff, the Trustee could decide that he or she wants to sue Pathmark for your twisted ankle, and you wouldn't be able to say no to that. So the Trustee, the bankruptcy Trustee who oversees your case, gains a certain level of control over your rights and your property that you own at the moment that you file a bankruptcy Petition.

Imagine that you have, on your way to the Bankruptcy Court to file a bankruptcy Petition, you decide you're going to buy a lottery ticket and you see a little bodega on the way to the Bankruptcy Court, so you buy a lottery ticket and then you go and you file your

bankruptcy Petition. Well, now, as that lottery ticket sits in your pocket, it's worthless. It has, you know, you're waiting for five little balls in a basket somewhere to line up with those magic numbers and make you a millionaire, right? And that hasn't happened yet. That's not going to happen until Saturday and you're filing this Petition on Friday. So right now that lottery ticket becomes part of the bankruptcy estate, but who cares, it's a worthless lottery ticket.

The next day those five little balls magically line up in the basket and you become a millionaire, and you think, oh, good, this is post-bankruptcy Petition. This is something I earned after the bankruptcy Petition, so it's mine to keep, and generally that's right. But it's not true in this case because why? Because when you went into the courtroom to deposit that bankruptcy

Petition you had that lottery ticket in your pocket. The ticket may have been worthless, but whatever interest you had in the ticket is now part of the bankruptcy estate. So the bankruptcy Trustee smiles and thanks you for buying that lottery ticket and actually you'll probably do all right. If you win a couple million dollars in the lottery you're not going to worry that your creditors got paid off, but it illustrates the point.

So if you are thinking about buying a lottery ticket, do it on the way from the court, not to the court, and then you can keep - because anything you earn after the Petition is filed you get to keep that, so if you don't have the - yeah, you get the idea.

There are a few things that a creditor - that a Trustee can grab and take hold of that you might earn after a

bankruptcy Petition has been filed. They're pretty rare, but I want to talk about them so you will have an idea. For example, the inheritance. This is the most common situation. Imagine that your Aunt Edna - does anybody here have an aunt named Edna? Okay. You have an aunt named Edna and she's a millionaire and she's left you several million dollars in her Will and so you're just twiddling your thumbs, hoping to file bankruptcy before Aunt Edna's big pile comes to you so that you can go to Bermuda with it and not have to pay off these creditors.

So you file a bankruptcy Petition and the next day the bankruptcy Trustee shows up at Aunt Edna's bedside. Now, this won't really happen. I'm just illustrating a point. And Aunt Edna is very sick; she's 95 years old and she's got emphysema and she's, you know, smoking two packs of cigarettes a day through her

tracheotomy. So she's really in bad shape. And he comes in and he starts, you know, he comes to her house and visits her every day and he's holding her hand, he's stroking her hair, he brings her flowers, the Trustee, he brings her chocolates, he brings her cigarettes, and so, you know, every day after you filed the Petition, for six months the Trustee comes to the bedside and sees how Aunt Edna's doing and then after six months the Trustee gets up and he says goodbye to Aunt Edna and he leaves. Why? Because after six months they can't reach any further forward after that.

So there are a few things where the Bankruptcy Court can reach into future earnings, but it's not your wages, it's not most things that you might earn or gain after filing a bankruptcy Petition, but inheritances are one of the few exceptions to that.

So you've got these things that you can protect when you file bankruptcy, and you want to know what they are. Well, everybody who files bankruptcy worries that if I file bankruptcy I'm going to lose my house or my car or my furniture. If you've had creditors get a Judgment against you, the thing that the creditors will sometimes do is get the Marshal, the City Marshal, to issue a notice to you that says we can come into your house to enforce this Judgment and we can take anything, you know, we can take your personal property, we can take your furniture, we can take your cat. I mean, really scary notices and they come from - some of the City Marshals do this. It's never going to happen, and in fact, I think that Marshals who do that really shouldn't be doing it, giving people notices like that.

In the reality, almost all of the

personal property that people filing bankruptcy - almost all the property they have is going to be protectable in a bankruptcy through what are called exemptions. There are state law exemptions, there are federal law exemptions. Some of the rules about how the exemptions get applied have been changed since the Bankruptcy Reform Act was passed, but in general, you know, you can protect up - if you're a single person, you can protect up to \$5,000.00 worth of furniture and kitchen wares and household goods, and if it's a married couple you can protect up to \$10,000.00. You can protect equity in a car. You can protect up to \$50,000.00 in equity in your home using the Homestead Exemption.

So what you want to do is talk to a bankruptcy attorney. I've got some - in that handout that you got today there are some exemptions. Some of the exemptions

under New York state law are listed and you can take a look at that and see what some of those exemptions are - what some of the exemption amounts are, but that's a partial list. It's not a complete list. There's a lot of different property things you can keep.

The Bankruptcy Reform Act did a number of things to make it harder for debtors to get a bankruptcy filed, as I said earlier. Some of the things that are new now are, for example, that you must complete a credit counseling course before you can file a bankruptcy Petition. Nobody should try to file a bankruptcy Petition until they have completed a credit counseling course. Typically, you have to pay to take this credit counseling course. It's \$50.00 for that course, and then there's another course that you have to take now. After you've filed the bankruptcy Petition they want you to take

a second course in something called Debt Management. These are all new requirements under the Bankruptcy Reform Act. The Debt Management course is another \$50.00. Some of these agencies that provide this counseling will give you a package where they do both of the courses for \$70.00, but those are obstacles to people's being able to file.

One of the other obstacles to people being able to file is that you now have to pay \$300.00 to file a Chapter Seven bankruptcy Petition to the Bankruptcy Court, and that's supposed to cover the costs that the Court now has to spend on administering these cases.

On the other hand, one of the new things about the Bankruptcy Reform Act is it allows people who are genuinely low income to get a fee waiver if they file a bankruptcy Petition. So, you know, there's generally - this Bankruptcy Reform

Act is regarded as something that favors creditors and that's generally true, but one of the exceptions to that is that if your income is below 150% of the federal poverty level, you should be able to get the fee waived in most cases. The judges are always looking for reasons to make exceptions, but generally you can get those waived.

Another change that came with the Bankruptcy Reform Act is kind of the one that's caused a lot of confusion for people. It's called the Means Test. The Means Test is this - I don't understand it. It's some kind of screwy test, and you know, the way I've seen it depicted is a big flow chart with lots of arrows and circles and a paragraph describing each one and it looks like the map for how, you know, how supplies are supposed to flow through a pipeline from Saudi Arabia. You know, it's really crazy.

So what the Means Test really says in basic is, if your income, if your household income in your family is at or above the state median income, then you probably can't file a Chapter Seven bankruptcy. You probably have to file a Chapter 13 bankruptcy, but if you really want to file a Chapter Seven, we'll ask you a whole bunch of questions about your monthly expenses and see if you're just, you know, being a spendthrift or not. And if you can show extenuating circumstances we might let you file a Chapter Seven.

The reality is that, as you might imagine, about half of New Yorkers live below the state median income, and they're the half who most tend to want to file bankruptcy. The people who live above the state median income are the half of New Yorkers who almost never file bankruptcy. So how many people have been affected by the Means Test? Very, very few.

So let me give you an example. Actually, if you look in - you don't need to look at it now, but in that handout that I gave you it gives you a couple of the guidelines for what is the median income for New York state, and I think that for a family of four it's something like - here it is. No, that's not it. It's a lot of money, just trust me. It's more money than I have. I live below the state median. Of course, I'm a legal services lawyer. It's like \$72,000.00 for a family of four. You have to be above that to have to do the Means Test and for a family of one per year it's something like 20 - no, no, it's 40 something thousand dollars a year. So it's a fairly comfortable income that you have to have before you want to file the Means Test. A lot of what people have been spending a lot of time trying to learn and understand is this Means Test, and yet it applies to

very, very few bankruptcy filers.

There's a lot that lawyers have to do now that they didn't have to do before to insure that the bankruptcy Petition that they prepare for you is accurate and reflects that they've - they're supposed to basically do an investigation beyond just asking you what, you know, how much property you have and how much income you have. They're supposed to actually - the lawyers now are supposed to do some work on their own to verify that the information you give them is correct. And they're supposed to make sure when they sign a bankruptcy Petition that everything in that bankruptcy Petition is true and correct. So this is a standard that has always applied in other areas of federal law practice and it's now the case with bankruptcy Petitions as well.

The main effect that this has on

you as a potential bankruptcy consumer is that the legal fees that you might have to pay if you hire a lawyer to do your bankruptcy are likely to be higher now than they were a year ago. How much higher? I don't know. Maybe 25% higher.

When I was doing bankruptcy practice on my own - I now work for Legal Services for New York and we have a pro bono bankruptcy program there. But when I was doing them on my own, a typical Chapter Seven bankruptcy Petition an attorney might charge anywhere from \$500.00 to \$1,000.00 for. And then if it was more complex it could be more than that. Now, with the passage of this law, I figure, you know, add - figure the range of somewhere like \$700.00 to \$1,200.00 for - but I 'm just pulling those numbers out of my head. I have no basis for saying that. I'm just trying to give you an idea of the scale of the change. So those are

the effects that the changes in the law have made.

Bankruptcy is still available, and it's often going to be beneficial if you are behind on your debts. One of the things that people ask about when they ask about bankruptcy is what kind of effect is this going to have on my credit rating, or am I going to be able to get credit after bankruptcy? Is there life after bankruptcy? And the answer is, in most cases, well, in all cases, yes, there is life after bankruptcy.

In most cases, most of the people who file a bankruptcy Petition have already been behind on their debts for some time. So generally by the time people get to a bankruptcy attorney, they've got sufficient enough problems on their credit record that they have a difficult credit rating already. For those people, bankruptcy rarely makes

their credit rating worse. But there's a big difference between having a bankruptcy on your credit rating and having a bunch of delinquent debts.

The difference is this. Every day that you have a delinquent debt on your credit record is a new day, and it can, you know, it's like the next day that delinquent debt is still there. It's just a little more delinquent, but it's like a brand new problem that's there the next day. When you file bankruptcy, the bankruptcy occurs and then as you move on with your life the bankruptcy gradually recedes into your past and starts to have less and less effect on your credit rating.

So that's a big difference from having delinquent debts on your credit rating which continue to give you a negative credit rating. Bankruptcy will recede into the past. I'm going to be

taking questions at the end.

Other things that you might want to know about filing bankruptcy, it's in general you can - you will get loan offers. Oh my gosh. The day after you get that lovely little letter that says all your debts have been discharged, you'll get letters offering you credit in the mail.

Capital One VISA. Boy, will they be on you. And you know, the other, the used car lenders. They, you know, they probably get there the same day as the discharge notice if it weren't for the U.S. Mail. So they make credit offers. The thing about those credit offers that come to you after bankruptcy is that they are generally less favorable terms than you'd have if you had a sterling credit record. You may have to pay a high interest rate, you may have a very low credit limit, things like that. But with

a Capital One VISA card, God bless them, you can build a new credit history and ultimately that is what the creditors start to go by down the road. So five years down the road, will bankruptcy still be on your credit records? Yes, it will. Will it still be having a big effect on your credit rating? Probably not. And especially if during those five years you've been taking on new debts and paying them off on time and not getting yourself in over the head.

By the way, speaking of, well, the issue of why - you might ask, why do these creditors invest in people who file bankruptcy? There's two reasons. One is that creditors know that most people who file bankruptcy, file bankruptcy once and they never file it again. In all of my years of practicing bankruptcy, I've rarely seen people who file - I mean, I do see people who file more than bankruptcy,

and I don't think badly of them.

Generally, they've had more than one problem that's brought them to that situation.

Generally, people don't file bankruptcy because they don't want to pay their debts or because they're mismanaging money. People file bankruptcy because they have a crisis. It's either that they've lost their job or they've gotten injured or they've gotten divorced. Those are the three big reasons. There's a bankruptcy law professor up at Harvard Law School named Elizabeth Warren who's written a book at this. It's called The Two Income Trap and I recommend it to you.

In any event, so people generally file once. The creditors know this. They recognize that people who have gone through bankruptcy generally are good risk for credit, certainly no worse than other people. And the other thing is that if

you file a bankruptcy, the creditors know that you can't file bankruptcy again for eight years once you've gotten discharged in bankruptcy.

So for those two reasons it makes sense for creditors. And as I said at the beginning, this is a law that was created by creditors. This is not a law that was created by debtor advocates. It's certainly one that debtor advocates have, over the years, had a lot of influence on. But when you're thinking about whether this is something you should consider or not, don't - you shouldn't concern yourself that if I file bankruptcy I'm somehow going to take advantage of City Bank. Let me tell you one thing. City Bank knows how to take care of itself. But you may need to take care of yourself and this can be a way to do that.

I just want to say one little thing about what we do. New York City

Bankruptcy Assistance Project is a project that - that's the project that I work for. We provide free bankruptcy assistance to people who are low income and New York City residents. Low income means 150% of the federal - no, 200% of the federal poverty level, so if your income is - if you're a household of one and your income is below \$1,600.00 a month, for example, you might qualify for our services.

We were created - it's very interesting. The bankruptcy courts in the eastern and southern district of New York, were very worried about there passage of the Bankruptcy Act and how it was going to impact their workload because they knew - this is actually - New York City is the city - is the district in the United States that has the highest number of pro se bankruptcy filings in the country. That means people who file their own bankruptcy Petitions without a lawyer. So

the courts looked at this Bankruptcy Act and the changes and said we need to get some help for pro se debtors, and they talked to some of the leading law firms in New York and those leading law firms put together over \$200,000.00 to make this project happen. So it's a mark of the appreciation of the bankruptcy community; the attorneys, the judges, of the need for debtors to have some assistance with going through the bankruptcy process that this project was created. And we have information about it that has been passed out, so if you have any other questions you can give us a call.

That's all I wanted to tell you in my little presentation, and if you have questions, now is the time.

[END TAPE]