

Access to Justice: Self-Represented Parties and the Court



**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA**

2012



Table of Contents

I.	Introduction	1
II.	Self-Represented Parties - The Numbers	2
	Chapter 7	5
	Chapter 13	6
	Chapter 11	6
III.	Impact from Assistance by Non-Attorneys	7
	A. Debtor ID Program	7
	B. Bankruptcy Petition Preparer (BPP) Tracking	8
	C. Chapter 7 Success	8
	D. Chapter 13 Failure	9
	E. Burden on Court Staff	9
	F. Fraud and Abuse	9
	G. Language Barriers	10
	H. Professional Involvement in “Pro Se” Fraud Cases	11
IV.	New Programs and Services for the Self-Represented	12
	A. New Website Launched.....	12
	B. Call Center Implemented	12
	C. DVD Created for Self-Represented Parties	12
	D. Forms and Instructions	13
V.	Assistance from Volunteers and Nonprofit Organizations	14
	A. Los Angeles Division	14
	1. Public Counsel	14
	2. Bet Tzedek	15
	B. San Fernando Valley Division	15
	1. Neighborhood Legal Services	15
	C. Santa Ana Division	16
	1. Public Law Center	16
	D. Riverside Division	17
	1. Joint Federal <i>Pro Se</i> Clinic	17
	E. Northern Division	17
	1. Legal Aid Foundation of Santa Barbara County	17
VI.	Recognition	18
	A. Court Honor Roll	18
	B. Public Counsel’s Lasarow Awards	18
VII.	Fundraising by <i>Pro Bono</i> Organizations for Non-Court Services	19
	A. Run For Justice	19
	B. Inaugural Leslie Cohen 5K Run/Walk.....	19
	C. Earle Hagen Memorial Golf Tournament	19
	D. Los Angeles Holiday Party	20
	E. Santa Ana Holiday Party	20
VIII.	Current Projects “Under Construction”	21
	A. Pathfinder Electronic Filing Project/eSR	21
	B. Live Internet Chat	22
IX.	Conclusion	22

INTRODUCTION

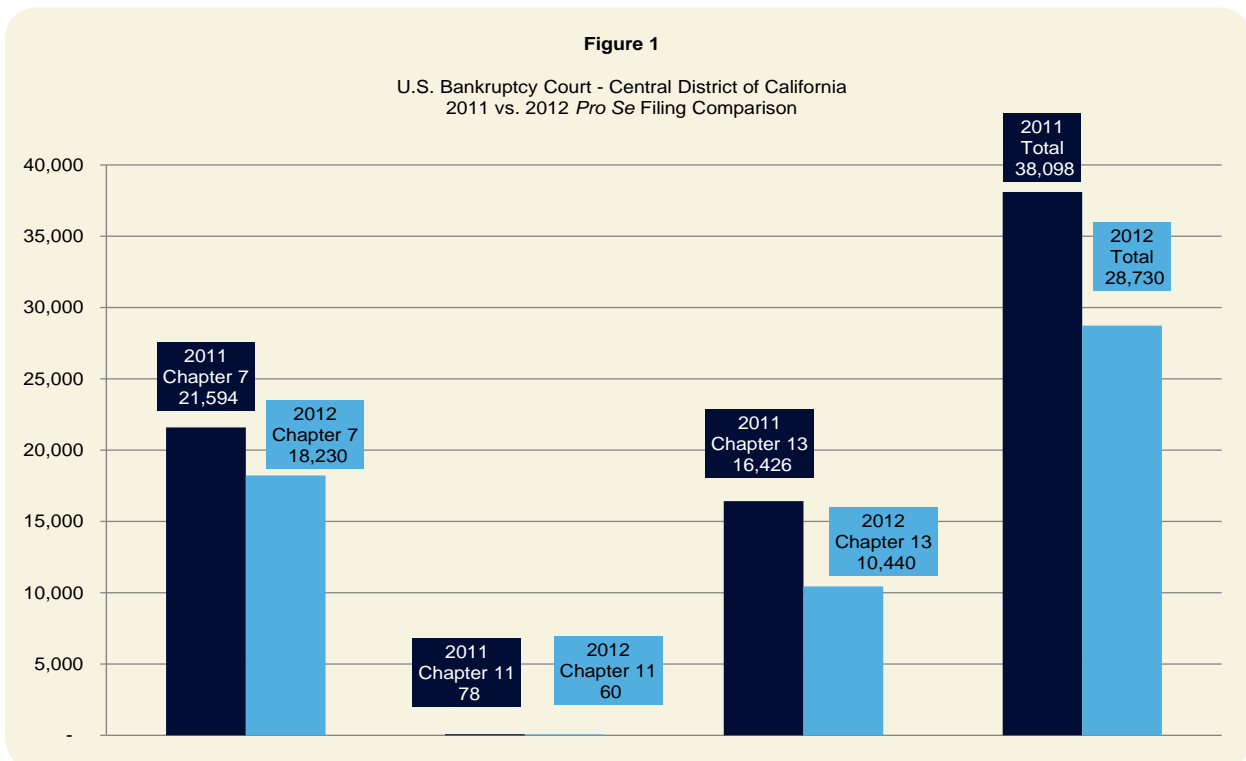


We are pleased to share the 2012 update of *Access to Justice: Self-Represented Parties and the Court*. This report follows up on the Court's 2011 review of court services for self-represented or *pro se* individuals. As you will see, the report reflects the Court's ongoing commitment to providing access to all parties, whether with or without counsel.

In 2012, while bankruptcy filings declined overall, the Court's *pro se* rate remained high. This report provides interesting data comparing *pro se* cases to those filed with counsel and those filed using bankruptcy petition preparers, and summarizes how these different groups of debtors fared once they filed bankruptcy. It describes our progress on projects important to serving *pro se* litigants. Lastly, it details the work of the organizations and attorneys assisting these litigants.

Approximately 300 volunteers assisted the court last year, making access to justice a reality for over 9,000 people who could not afford counsel. We continue to be extremely thankful to the organizations and individuals who make these programs possible. Our extensive web of public-private partnerships continued to expand last year, providing free legal advice for even more litigants than in 2011. As we continue implementing mandatory cost cutting measures, the programs discussed in this report are vital in maintaining access to the Court for all.

Maurice J. Tighe
United States Bankruptcy Judge
Central District of California
Chair, *Pro Se* Resources Committee



II. SELF-REPRESENTED PARTIES – THE NUMBERS

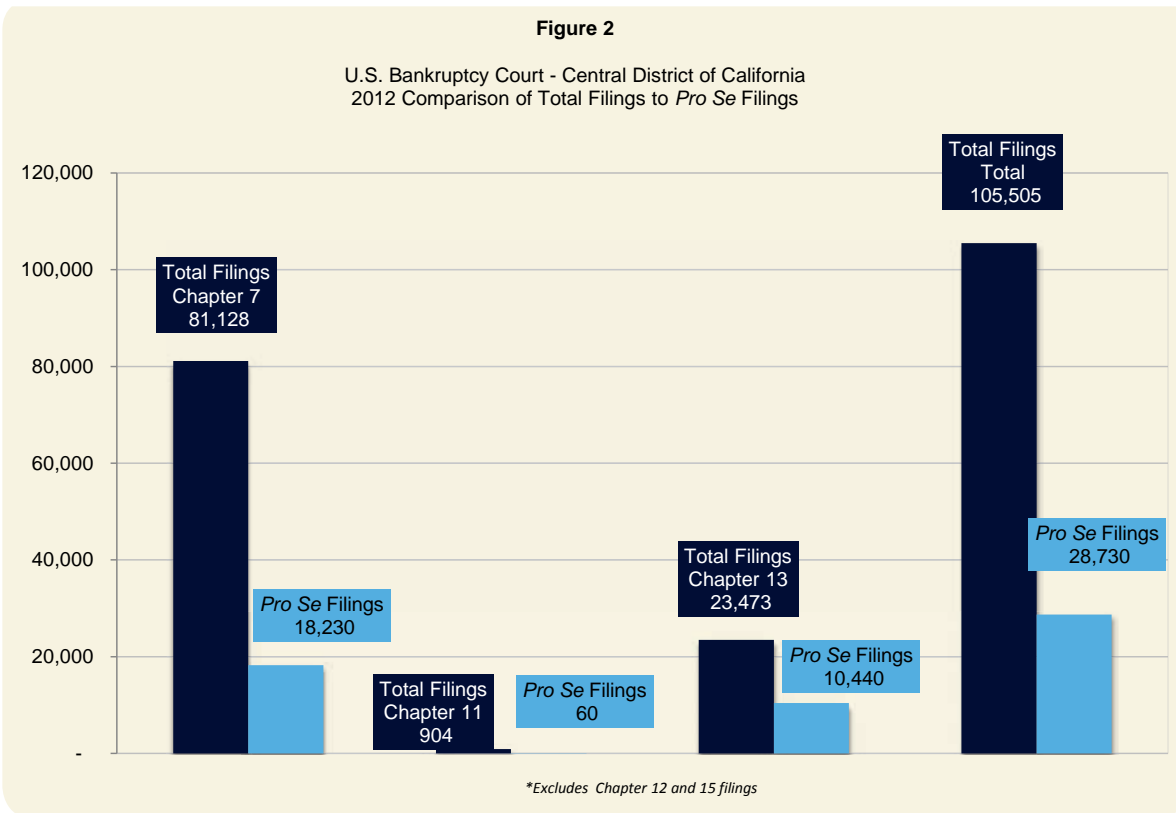
The total number of debtors seeking bankruptcy protection declined by 21.5 percent in 2012, but the percentage without counsel remained about the same – 27 percent of all debtors as compared to 28 percent of all debtors in 2011 (See Figure 1). The District’s rate of *pro se* filings remained at over three times the national average of 8.9 percent.

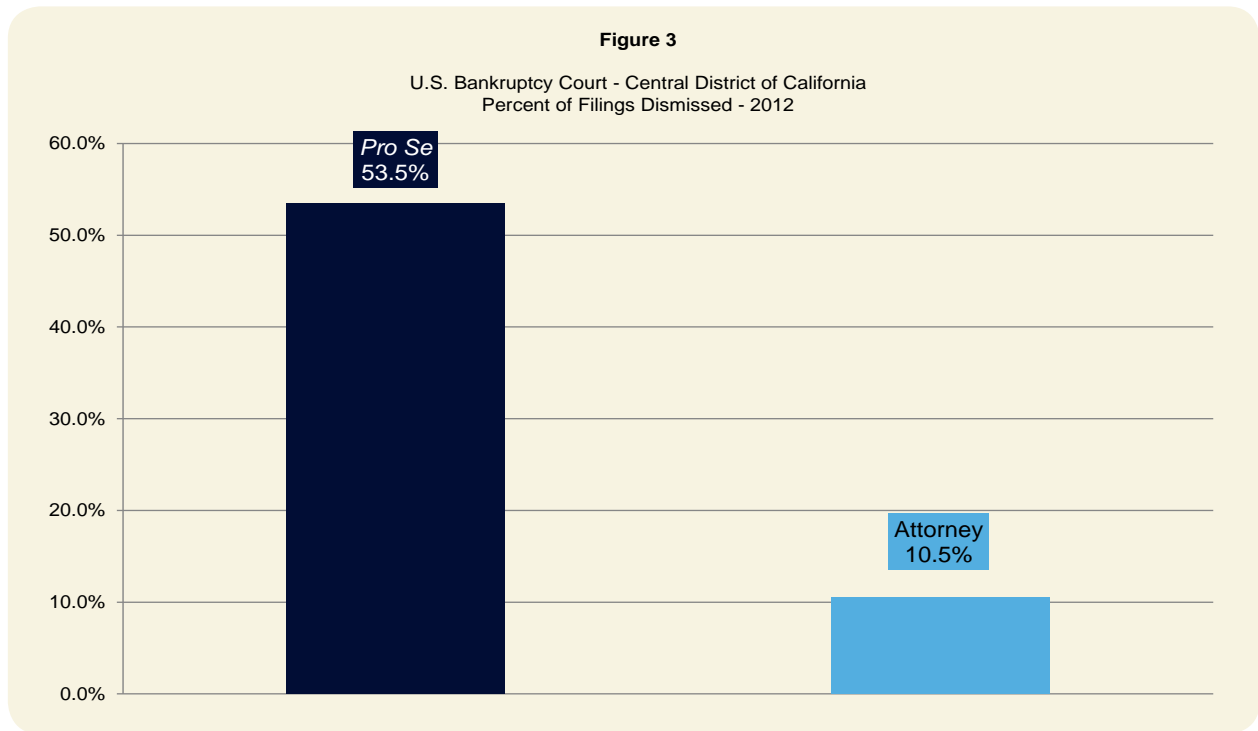
Of the 105,515 bankruptcy cases filed in the District, 28,731, or 27.2 percent, were filed without counsel (See Table 1). Chapter 13 petitions had the highest *pro se* percentage with 44.5 percent, followed by chapter 7 petitions with 22.5 percent. Chapter 11 had the smallest percentage of *pro se* filings with 6.6 percent (See Figure 2).

The difference in results where debtors were without counsel was similar in 2012 to what the Court observed in 2011. By all objective measures, and despite significant resources available to these debtors, their cases were dismissed at staggeringly higher rates (See Figure 3).

	Represented	<i>Pro Se</i>	Total
Ch. 7	62,898	18,230	81,128
Ch. 9	3	0	3
Ch. 11	844	60	904
Ch. 12	6	1	7
Ch. 13	13,033	10,440	23,473
Total	76,784	28,731	105,515
	72.8%	27.2%	N/A

These dismissals also include cases that were not filed in good faith, and were never intended to make it through to completion. Some of these cases might have been filed solely to gain a temporary automatic stay or otherwise abuse the bankruptcy process. The ability to find more ways to assist good faith debtors in need of proper guidance, but





still stop the high volume of abusive *pro se* filings, continues to challenge court resources.

A significant number of *pro se* cases are initiated as incomplete filings, which are especially labor-intensive to process. Incomplete filings, also known as “face sheet filings,” are usually filed without complete schedules or the statement of

financial affairs, providing minimal information. Over half of the *pro se* cases filed in 2012 were dismissed (See Figure 3). This high dismissal rate impacts the Clerk’s Office’s workload, and the dismissals negatively impact the credit records of *pro se* debtors without providing the benefit of a discharge (See Figure 4).

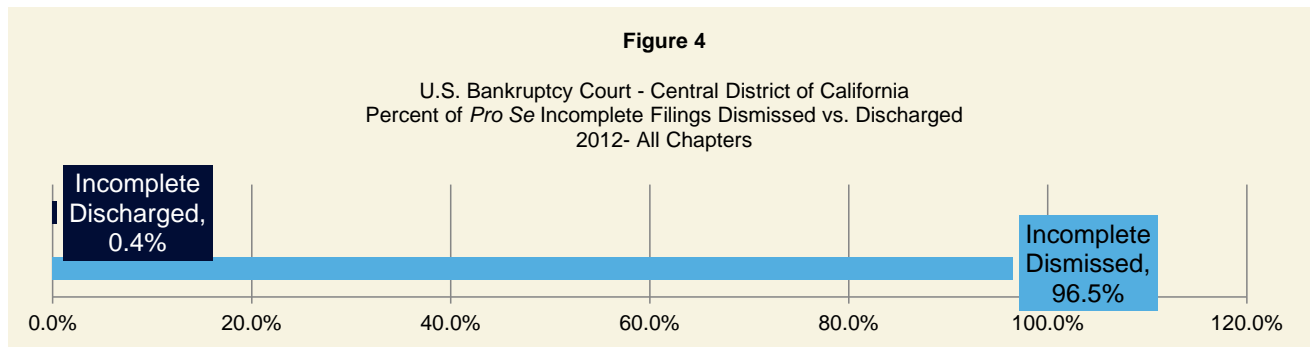
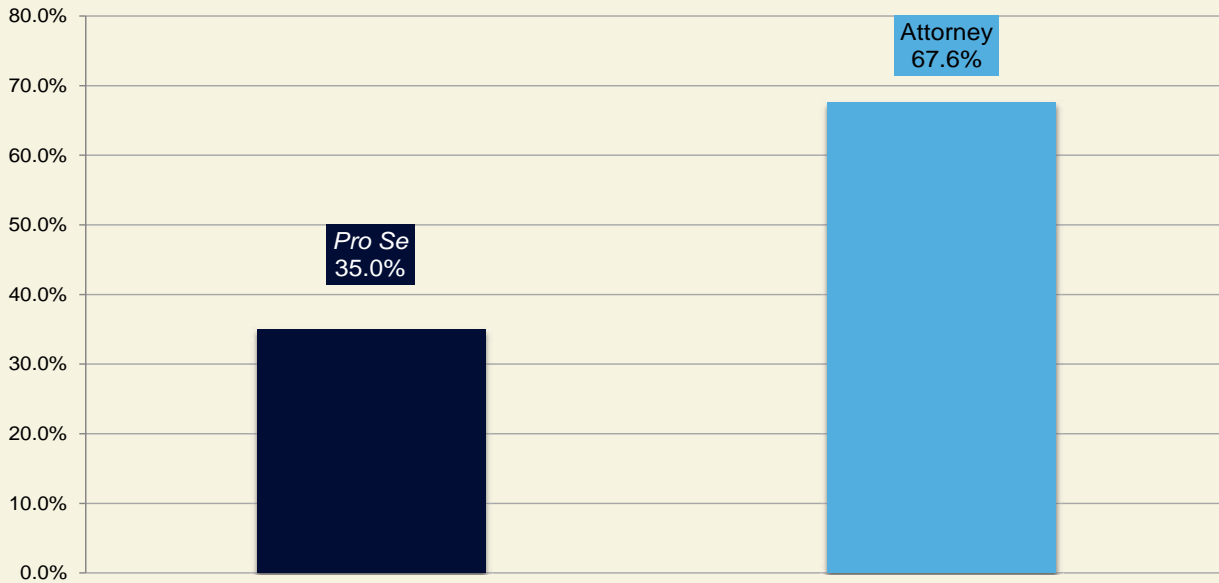


Table 2

2012 <i>Pro Se</i> Cases				
	Ch. 7	Ch. 11	Ch. 13	Total
<i>Pro Se</i> Cases	18,230	60	10,440	28,730
<i>Pro Se</i> Incomplete	4,307	36	4,374	8,717
<i>Pro Se</i> Dismissed	6,146	44	9,185	15,375

Figure 5

U.S. Bankruptcy Court - Central District of California
Percent of Filings Discharged - 2012

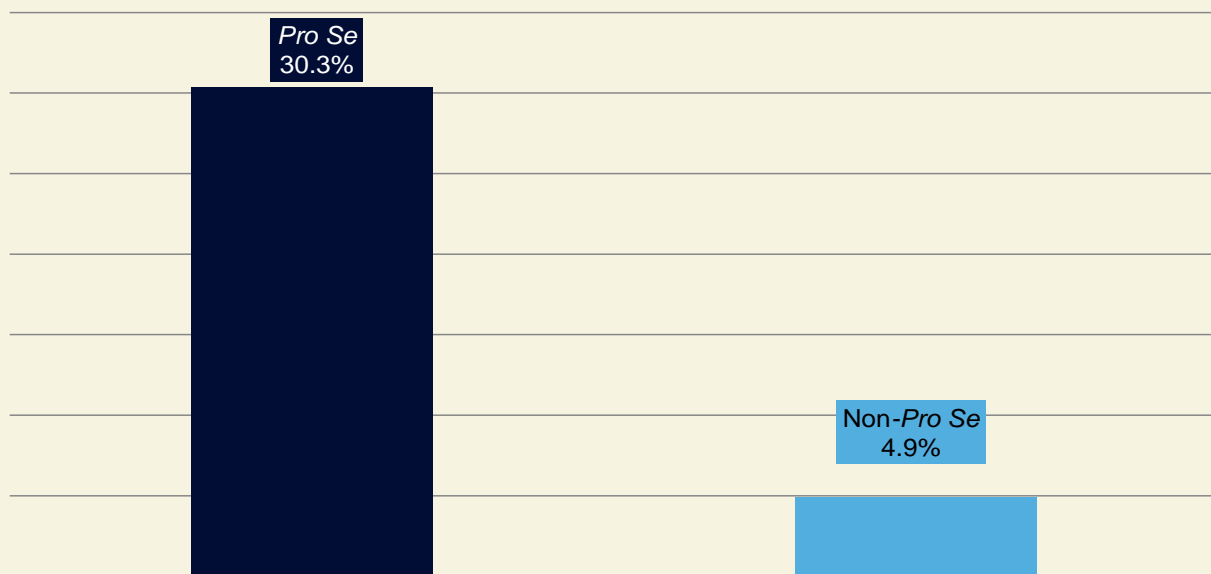


Attorney filed cases, filed electronically, have a lower initial incomplete rate and a lower dismissal rate. These cases create less work for the Court's dwindling staff and result in discharges at almost twice the rate of *pro se* cases (See Figure 5).

The dismissal or discharge rate once a case is filed is not the only metric of "success." Many debtors just do not need to file bankruptcy. In the Los Angeles Division, Public Counsel's analysis of its intake data compared to chapter 7 filings shows that only 36 percent of the people seeking guidance at the Los Angeles Self-Help Desk ended up filing bankruptcy.

Figure 6

U.S. Bankruptcy Court - Central District of California
2012 Percent of Incomplete Filings - All Chapters



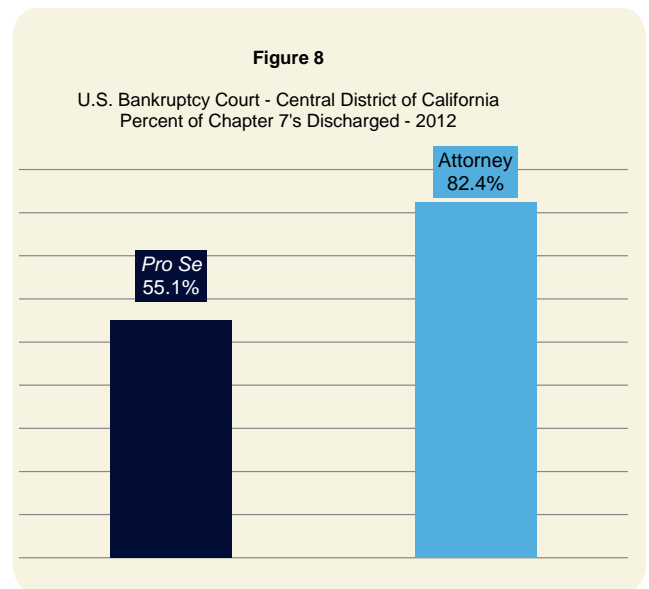
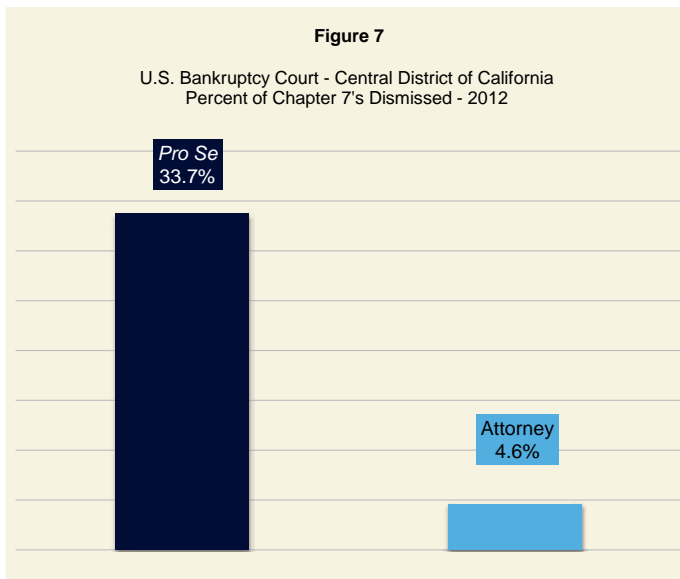
CHAPTER 7

In 2012, debtors in Chapter 7 cases who were self-represented were seven times more likely to have their cases dismissed than if they had been represented by an attorney (See Figure 7). Debtors represented by counsel in chapter 7 also obtained discharges nearly 83 percent of the time, while those representing themselves in chapter 7 obtained discharges only 55 percent of the time (See Figure 8).

A study of the effectiveness of self-help in a subset of chapter 7 cases filed in 2012 is encouraging. Debtors in the Los Angeles Division who attended a half day self-help seminar offered through Public Counsel's Self-Help Clinic obtained a discharge a full 93 percent of the time – compared to a 55 percent discharge rate for self-represented parties who did not use the clinic. It is worth noting the debtors attending the seminar appeared more motivated and capable than many chapter 7 debtors, and had access to

	Attorney- Represented	<i>Pro Se</i>	Total
Dismissed	2,895	6,146	9,041
Discharged	51,815	10,038	61,853
Total Cases	62,898	18,230	81,128
Percent Discharged	82.4%	55.1%	76.2%

attorneys each week at the clinic for questions. Also, the seminar is not offered for chapter 13, and the complexity of chapter 13 makes it unlikely similar results would be obtained if it were. The study does, however, clearly demonstrate that the self-help system increases success in good faith *pro se* chapter 7 filings.



CHAPTER 13

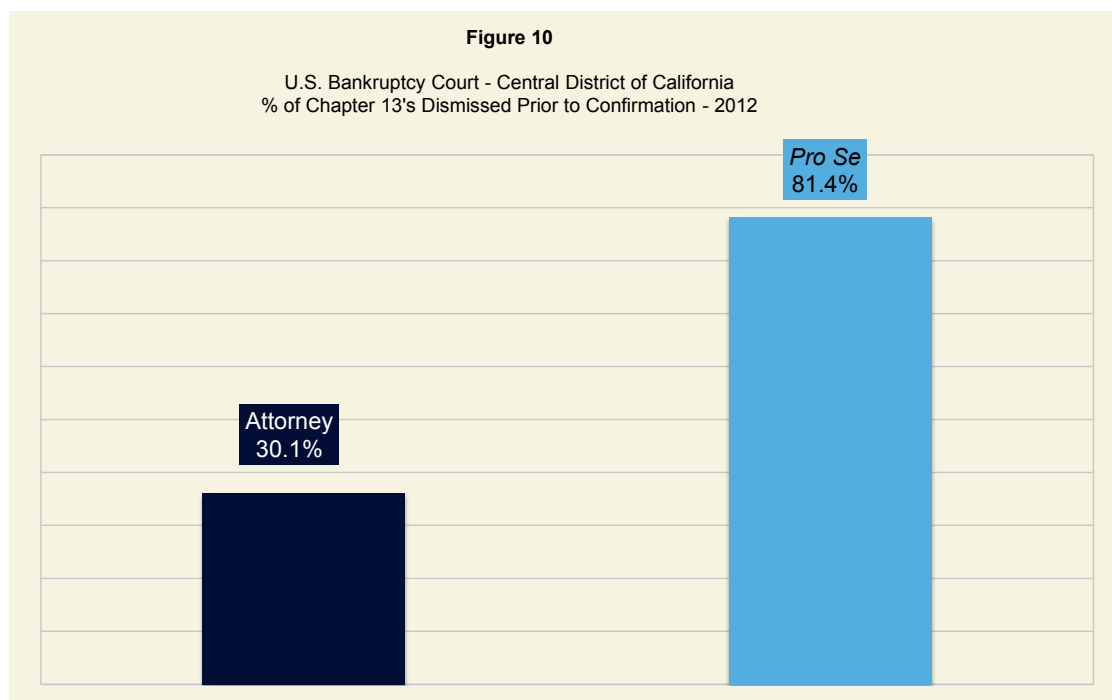
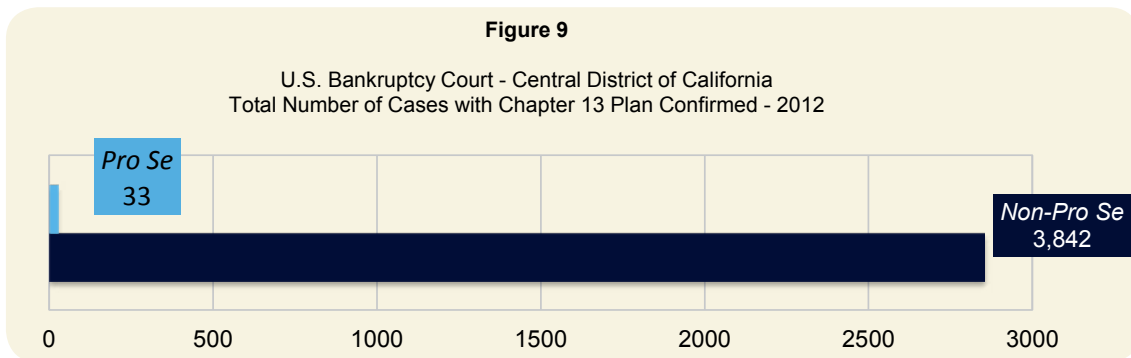
The difference between attorney-represented and self-represented parties continues to be most pronounced in chapter 13. In 2012, there were only 24 self-represented chapter 13 cases in the entire district that made it to confirmation – a mere 0.2 percent of the chapter 13 cases filed (See Figure 9). The chances of even reaching confirmation (See Figure 10), much less obtaining a discharge, are so miniscule without counsel that proceeding without counsel in chapter 13 should never be considered.

CHAPTER 11

Of the 60 *pro se* chapter 11 cases filed in 2012, 50 (83.3%) were dismissed and none had a

plan confirmed by the time of this writing. Of the remaining cases, four have been converted to other chapters.

As discussed in last year's report and obvious once again in this year's data, there is no question that debtors fare significantly better when represented by counsel. The self-help desks at each division and the Court's website each direct debtors to counsel, and consistently emphasize that proceeding with an attorney is best. When a party cannot afford counsel, however, or is involved in fraud either as a perpetrator or victim, the reality remains that the cases are usually filed without counsel of record.



III. IMPACT FROM ASSISTANCE BY NON-ATTORNEYS

Significant progress has been made in providing assistance to good faith litigants who cannot afford counsel. A substantial stumbling block in understanding the *pro se* numbers is sorting out which dismissed cases are due to a lack of guidance and which are intentionally abusive or fraudulent. The *pro se* cases that are fraudulent and filed solely to abuse the automatic stay are included in the total *pro se* filing numbers along with good faith cases that fail. The Court has limited ways of determining how and why the *pro se* cases are filed because judges rarely see these debtors. Those who assisted debtors are frequently not disclosed. Then the cases are dismissed at high rates before the meeting of creditors so that no inquiry can be made.

In order to distinguish between intentionally abusive filings and misguided good faith filers, the Court sought more ways to distinguish between the different groups comprising the 28,730 debtors who filed without counsel. Two programs partially implemented in 2011 were in full operation in 2012 – programming a notation in the Court’s case management system (CM/ECF) when there is a disclosed bankruptcy petition preparer (BPP) and the Debtor ID Program. In the Court’s 2011 report, the disclosed BPPs had only been tracked for two months. Shortly before this, the Debtor ID Program was also instituted, requiring individuals filing any document without an attorney of record to provide photo identification. These two programs show how the different types of “self-representation” break down among the debtors otherwise categorized simply as *pro se* by the CM/ECF system. Self-represented debtors in this district generally fall into one of the following four categories: (1) those who prepare the case on their own without paying for assistance, (2) those who obtain assistance from a self-help desk, (3) those assisted by BPPs who disclose their involvement and (4) those who are assisted by BPPs who received compensation secretly.

A. DEBTOR ID PROGRAM

As described in greater detail in the Court’s 2011 report, the Debtor ID Program attempts to identify non-attorney third parties who file bankruptcy petitions on behalf of debtors. The

Court retains a copy of the driver’s license of every third party who files the case on behalf of the debtor. The Program, adopted by the Northern and San Fernando Valley Divisions in 2011, expanded to the other three divisions in 2012. In order to track patterns across the District, a web-based application called “Third-Party Filer Tracker” went live in July 2012. Developed by IT staff in cooperation with San Fernando Valley Operations staff, the program collects data about and tracks the activity of BPPs and other third-party filers throughout the District. The cases tracked through the Debtor ID Program are generally where either a disclosed BPP did not observe all requirements of 11 U.S.C. § 110 or no assistance was disclosed at all.

Follow up from the identification of third party filers was conducted differently in each of the divisions. In 2012, in the San Fernando Valley Division, there were 243 hearings where debtors were ordered to appear before a judge to explain who filed the bankruptcy on their behalf and 330 hearings where the third party filer was ordered to appear. Where BPPs were disclosed and the BPP brought in the bankruptcy petition and filing fee, the Court issued an order to show cause to explain why there had not been a violation of 11 U.S.C. §110(g), which prohibits a bankruptcy preparer from collecting or receiving “any payment from or on behalf of the debtor for court fees in connection with filing the petition.” In the case of runners, whether a BPP was disclosed or not, an order to show cause was issued to find out if they were undisclosed bankruptcy preparers in violation of §110(b) and whether there was a violation of §110(g) by the runner bringing in the filing fee.

The Northern (Santa Barbara) and Riverside Divisions held similar hearings. The Riverside Division held hearings for 291 debtors and 388 for third party filers. In Santa Ana, third party filers bringing cases in for *pro se* debtors are examined at the time the case is filed where possible. In the Los Angeles Division, the United States Trustee has been following up on

the Debtor ID Program by bringing motions under §110. The hearings in the Debtor ID Program, increased §110 motions, and many relief from stay motions have all continued to shed light on whether someone is assisting the debtor in the *pro se* cases where no BPP was disclosed.

B. BANKRUPTCY PETITION PREPARER (BPP) TRACKING

Now that an automated flag is placed on cases disclosing compensation to a BPP, the Court is able to look at results of *pro se* cases filed with and without a disclosed BPP. In 2012, 5.7 percent of all the cases filed in this district disclosed assistance by a BPP. Thus, only 21 percent of *pro se* cases disclosed a BPP’s involvement (See Table 4). The other 79 percent of the *pro se* cases were presented to the Court as though no one assisted the debtor for compensation. From data collected through the Debtor ID Program and other hearings and pleadings, there is no doubt that undisclosed people assisted thousands more cases and were paid for their services.

C. CHAPTER 7 SUCCESS

These two programs, Debtor ID and BPP tracking have allowed the Court to understand the *pro se* cases better. The first conclusion is that the success of non-attorney assisted debtors after filing varies in chapter 7 based on whether the non-attorney (BPP) discloses his or her involvement. While it is difficult to determine whether an undisclosed BPP assisted a filing, there are indicators that the better BPPs disclose as required by 11 U.S.C. § 110, and the undisclosed BPP cases fail at a much greater rate. How much of this is due to intentional abuse of the system as opposed to poor quality assistance is hard to quantify. The Debtor ID numbers are approximate, but they give fairly

accurate estimates of what happens in a case where the assistance was not disclosed, or, if disclosed, the BPP was not familiar with all the limitations of §110.

Only 4.6 percent of attorney represented chapter 7 cases were dismissed in 2012. In comparison, 12.3 percent of the chapter 7 disclosed BPP cases were dismissed. Debtors using disclosed BPPs also obtained chapter 7 discharges 71 percent of the time. The Debtor ID chapter 7 cases, however, were dismissed approximately 46 percent of the time. This may indicate that, as far as not having the cases dismissed, a debtor fares better with a disclosed BPP than without. The testimony at the Debtor ID hearings, combined with these figures, also indicates that the undisclosed BPP cases are where the majority of the fraud and abuse can be found. Disclosed or undisclosed BPP cases both compare unfavorably to the debtors assisted by the self-help desk in Los Angeles where only five percent of the cases were dismissed.

Although the chapter 7 disclosed BPP discharge rate is a surprising 71 percent, the rate of discharge or dismissal does not necessarily reflect how “well” these debtors did in bankruptcy. For example, it is difficult to know whether any of these debtors needed legal advice or could have benefited from either a reaffirmation agreement or redemption in their bankruptcy cases. Whether these debtors could keep a car to get to work after the case is complete is something good bankruptcy counsel would likely analyze, but a BPP would not, and legally may not. There is no way to determine whether these debtors filed the correct chapter. Perhaps chapter 13 was more appropriate for saving a home or for lien avoidance, but whether or not a home could

Table 4

Total Cases with BPP disclosure	Incomplete	Dismissed	Total Filings	Total <i>Pro Se</i> Filings
5,983	652	951	104,672*	28,670*
% Total Filings	% Total <i>Pro Se</i> Filings			
5.7 %	21%		*Excludes Ch.11	*Excludes Ch.11

have been saved will remain an unknown. Also, creditors or intangible assets are sometimes not listed in the schedules in these cases.

Even where the BPP compensation is disclosed, the total amount paid is not always accurate. The instances of debtors paying BPPs as much as they would have paid an attorney are frequent. One particularly prolific BPP in the San Fernando Valley Division was discovered last year charging \$1,200 per debtor, but disclosing only a \$200 payment on the forms. The debtors were found to have been confused about what they were paying for and intimidated into lying about what they paid when anyone made inquiry. In the Debtor ID Program, numerous debtors appeared to say that they had been paying up to \$1,500 per month for “foreclosure assistance” even though the only tangible result they had was a dismissed bankruptcy disclosing a \$200 payment to a BPP.

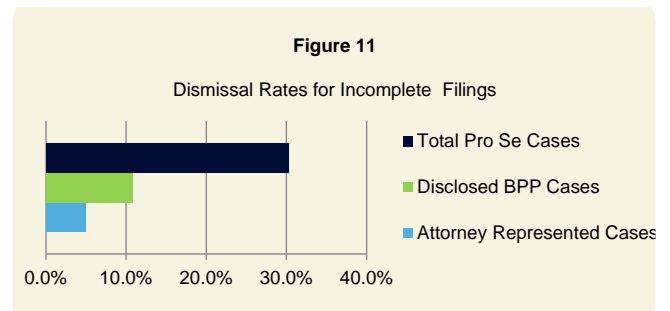
D. CHAPTER 13 FAILURE

The limited success of debtors in chapter 7 without attorneys is not repeated in any category when it comes to chapter 13. A full 99 percent of the disclosed BPP chapter 13 cases were dismissed before confirmation. The Debtor ID cases fared worse, however, with a 100 percent dismissal rate when tracked through confirmation. For comparison, 36 percent of the attorney-represented chapter 13 cases were dismissed in 2012. These results demonstrate irrefutably that allowing non-attorneys to receive compensation for assisting a debtor with a chapter 13 case makes no sense whatsoever.

E. BURDEN ON COURT STAFF

Another conclusion that can be drawn from this more detailed understanding of the *pro se* numbers is that the disclosed BPP cases are less burdensome for Court intake staff. Incomplete filings are a lot of work for Clerk’s Office staff, because they have to be monitored and managed, and are a key indicator of the likely dismissal of a case. These cases simply stall creditors, trigger the filing of relief from stay motions, cause staff to review motions to extend time, and eventually obtain no discharge. A comparison of dismissal rates for incomplete

filings with BPPs and attorneys is detailed in Figure 11 below.



It is no surprise that the attorney cases, at 4.9 percent and largely electronically filed, result in the least amount of work for the Intake staff. What is somewhat of a surprise is that only 11 percent of the disclosed BPP cases were incomplete when filed. This is a significant difference from the incomplete rate of 30.34 percent among *pro se* cases overall. Most of the disclosed BPPs appear to use case preparation software that completes the forms and tends to ensure that all required forms are included.

The distinctions between the disclosed BPP cases and those in the Debtor ID Program confirm what experience has also shown -- the cases with undisclosed compensation provide the greatest number of fraudulent or abusive cases. A possible explanation is that where a BPP has disclosed involvement, he or she may have greater awareness of bankruptcy requirements. Presumably, those willing to disclose are also less likely to be involved in a fraud scheme unlike those filing bankruptcies without disclosure as part of an abusive scheme.

F. FRAUD AND ABUSE

Abuses such as the use of bankruptcy to stall a foreclosure action that has no connection to the named debtor (“hijacked” case), or debtors not realizing that the “loan modification” services they were paying for resulted in repeated incomplete bankruptcy filings, have all continued in 2012. There were also hundreds of runners or BPPs who simply ignored the orders to show cause to explain what they were doing when they brought in a case for a self-represented debtor.

Although the Debtor ID cases and database are still being studied, preliminary data shows at least 2,000 cases were filed in 2012 where someone other than the debtor filed the case, there was no disclosure of assistance, and the case was dismissed without meeting the basic requirements of the Bankruptcy Code such as complete schedules or attendance at the meeting of creditors. Although the Court has long known there are a tremendous number of completely abusive filings in this district, the Debtor ID Program has documented that unidentified parties are essentially obtaining 2,000 temporary restraining orders (via the automatic stay that is imposed at the moment the petition is filed) with no judicial involvement and no real idea of who caused the bankruptcy filing. The debtors are routinely advised not to show up in response to the orders to appear or they may not even know that a bankruptcy was filed in their name.

The hearings have raised awareness in the community regarding fraud schemes as well as the self-help services available to *pro se* debtors at the Court. In addition, the hearings have also raised awareness among the law enforcement community, particularly local authorities, about the use of bankruptcy in foreclosure fraud. As of this writing, the Los Angeles County District Attorney's Office, the Los Angeles County Sheriff's Office, the Santa Barbara County District Attorney's Office, and the Federal Bureau of Investigation have opened investigations related to bankruptcy and foreclosure fraud referrals made by the Court.

The Santa Barbara County District Attorney's Office obtained a felony plea from Franklin David Marquez in part based on information arising out of hearings where this program sought to find out who filed certain bankruptcies. The District Attorney is also pursuing charges against another person of interest as a result of testimony in this program.

The Riverside Division had approximately 15 stipulations and orders between BPPs and the U.S. Trustee, where BPPs have agreed to disgorge all or a significant amount of the funds received from debtors and to either stop preparing petitions altogether or suspend practice for a significant amount of time and resume after additional training. The U.S.

Trustee has also entered into approximately five informal agreements where BPPs have agreed to discontinue preparing petitions. The 2012 hearings in the San Fernando Valley Division resulted in 62 fines and six disgorgement orders. Numerous others fines and disgorgements were entered as a result of the project in other divisions, but the totals have not been tracked.

G. LANGUAGE BARRIERS

It appears that certain populations either hire counsel more frequently or utilize different types of services when they seek assistance from non-attorneys in filing bankruptcy. Non-English speaking debtors appeared at Debtor ID hearings and described through interpreters numerous foreclosure prevention fraud schemes. Their inability to access or know about legitimate help often unnecessarily cost them \$5,000 to \$10,000 and the loss of their home to foreclosure anyway.

The Debtor ID Program and the United States Trustee's Language Assistance Program have shown how significant a factor the large non-English speaking immigrant population of the district affects the *pro se* rate. In 2012, the Central District remained one of the most racially and culturally diverse districts in the nation. The United States Trustee's Language Assistance Program once again identified the top languages for interpretation service requests. Spanish, Korean, Arabic, Armenian, Mandarin, Japanese, Vietnamese, Russian and Farsi were among the most frequently requested of the 39 languages cited for interpretation services in 2012. While there is no measure of the English language ability of *pro se* debtors, Public Counsel has tracked the ethnicity of individuals accessing the Self-Help Center in Los Angeles. Thirty-nine percent of the visitors are Hispanic and nine percent are Asian.

The debtors who appeared at the Debtor ID Program hearings, and those representing themselves in response to relief from stay motions disproportionately spoke little to no English. The Debtor ID hearings have illustrated how frequently a bankruptcy case is also used to defraud these immigrants of their last dollar, while also abusing the creditors and the Court.

H. PROFESSIONAL INVOLVEMENT IN “PRO SE” FRAUD CASES

As a result of enforcement actions against fraudulent filers, an attorney came to the attention of judges in Santa Ana and Riverside. Upon questioning by the judges as part of the Debtor ID Program, certain third-party filers/runners implicated the attorney behind at least 80 fraudulent “*pro se*” filings. Responding to Orders to Show Cause issued by the bankruptcy court, the attorney testified that associates at his related entity filed or helped individuals file bankruptcies to stop foreclosures. These were “face sheet” filings that were promptly dismissed. When State Bar investigators interviewed the attorney’s clients, they discovered that many of them had never met him and that they did not know that bankruptcies were being filed in their names. The California Superior Court assumed jurisdiction over his law practice in October 2012 and, on February 10, 2013, the attorney was involuntarily enrolled as an inactive member of the State Bar of California.

A number of attorneys and realtors were mentioned by the debtors and runners appearing at the hearings as having been part of the series of events causing the “*pro se*” bankruptcy filing by a third party. Debtors routinely described paying these professionals a regular monthly amount for “foreclosure assistance” or loan modification” services. In most cases, there was never anything done other than one or more skeletal bankruptcies filed. Frequently, the debtor had no understanding of what the services were he or she had paid for and often no longer had the benefit of the automatic stay if a competent attorney were to try and address their situation appropriately.

On a more positive note, those BPPs who were not involved in foreclosure or loan modification abuses were often educated by coming to the hearing. The hearings gave the Court an opportunity to educate well-meaning BPPs regarding the requirements of section 110. Many BPPs who appeared were surprised to learn of various restrictions imposed by section 110 and that there were U.S. Trustee guidelines. Where it could be determined that the BPP had not been previously sanctioned and was not involved in a fraud, the individual was given a warning and not fined.

IV. NEW PROGRAMS AND SERVICES FOR THE SELF-REPRESENTED

A. NEW WEBSITE LAUNCHED

The Court continues to serve its large population of self-represented parties through the completion of several initiatives. Many of the Court projects listed in the "Under Construction" section of the 2011 report have been implemented in 2012.



The Court launched a newly redesigned website on October 25, 2012 with many new features to assist self-represented parties. The new website features a user-friendly look and feel that enables the Court to deliver well-organized information to the public, allows for easier navigation across the site, and provides quick access to a wide variety of resources and information about the Court. For the first time, the Court's website is searchable and offers a read-aloud service via BrowseAloud. A search window allows users to locate bankruptcy forms and other essential information. Using Adobe Acrobat, debtors are now able to save electronic copies of bankruptcy forms for further editing before the final petition is filed. Resources for locating attorney referral services and self-help desks are now easier to navigate



B. CALL CENTER IMPLEMENTED

Late in 2012, the Court established a [Call Center](#) which can be accessed by a toll free telephone number. The Call Center handles calls from the public for all of the Court's five divisions. A new call script, available in both English and Spanish, provides automated information about obtaining free or low cost legal assistance, calendar and hearing matters, Court locations, attorneys, credit reporting and fraud, and fees. The automated service is available 24 hours a day, seven days a week, while Call Center operators are available during regular court hours.

The ability of the automated system to answer a large number of calls permits Call Center operators to attend to those customers who have more case-specific and involved questions. On average, the Call Center services between 2,300 and 2,500 calls a month, which may reduce the number of interruptions to departments district-wide that would otherwise receive these phone calls.

C. DVD CREATED FOR SELF-REPRESENTED PARTIES



The Court assisted Public Counsel in filming two DVDs. One is a 35 minute film that captured Public Counsel's bi-weekly seminar and includes a PowerPoint presentation, providing prospective filers an overview of bankruptcy. The overview DVD has been distributed widely for use at the self-help desks. The second is a three and a half hour, step-by-step, page-by-page instruction on how to complete a chapter 7 bankruptcy petition using a sample petition.

The footage includes an overview of the petition, all schedules and local court forms. The video scene selection menu allows viewers to quickly find the desired subject matter without watching the entire video. Final touches are being put on the longer video now, and it will be distributed by mid-2013 to pro bono organizations running the Self-Help Desks throughout the Central District.

D. FORMS AND INSTRUCTIONS

Proof of Service Instructions:

The Court also completed and distributed a guide to providing proof of service of a pleading. Created to assist self-represented parties with meeting the service requirements for documents filed in their cases, it is anticipated these instructions will also reduce instances of a missing Proof of Service and consequently the number of continued hearings or denials

of relief based on procedural error. [The Proof of Service Instructions](#) are posted along with the Proof of Service form on the Court's website.

Directions to 341(a) Meeting Locations:

Despite the 341(a) notice provided to each debtor that states the location of the 341(a) meeting of creditors, debtors often mistakenly travel to the courthouse to attend their 341(a) meeting of creditors. As a courtesy, the Court now provides a [flyer](#) with directions from each Court division to the nearest meeting location. The maps are also on the Court's website.

Directions to 341(a) Meeting of Creditors from the Courthouse	
Refer to your Notice of Meeting of Creditors for your specific meeting location.	
LOCATIONS BY DIVISION	MEETING OF CREDITORS LOCATION
<p>LOS ANGELES</p> <p>Los Angeles Courthouse 255 E Temple St, Los Angeles, CA 90012</p> <ol style="list-style-type: none"> 1. Head northwest on E Temple St toward Judge John Aliso St go 0.6 mi About 3 mins total 0.6 mi 2. Turn left onto N Grand Ave go 1.1 mi About 4 mins total 1.6 mi 3. Turn right onto W 8th St go 0.2 mi About 1 min total 1.9 mi 4. Turn right at the 3rd cross street onto S Figueroa St go 338 ft total 1.9 mi <p>Meeting of Creditors location 725 S Figueroa St, Los Angeles, CA 90017</p>	
<p>RIVERSIDE</p> <p>Riverside Courthouse 3420 12th St, Riverside, CA 92501</p> <ol style="list-style-type: none"> 1. Head northwest on 12th St toward Lemon St go 0.3 mi About 1 min total 0.3 mi 2. Turn right onto Market Street go 0.3 mi About 1 min total 0.6 mi 3. Turn left onto University Avenue go 148 ft Destination will be on the right total 0.6 mi <p>Meeting of Creditors location 3801 University Ave, Riverside, CA 92501</p>	

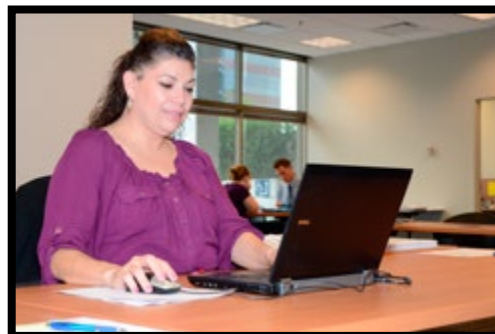
V. ASSISTANCE FROM VOLUNTEERS AND NONPROFIT ORGANIZATIONS

Once again, the bedrock of assistance to self-represented litigants was the network of dedicated volunteers and nonprofit organizations supporting programs throughout the district.

The Court's 2011 report provides more detailed explanations of the programs summarized below:

A. LOS ANGELES DIVISION:

1. Public Counsel



Aimee Meraz, Public Counsel's Debtor Assistance Project Intake Coordinator, at the Los Angeles Self-Help Desk

Total Debtors Served	Los Angeles	Riverside	Santa Ana	Northern	San Fernando Valley
9,249	5,210	1,383	790	259	1,607

The summaries of each clinic reported in the following section attest to the phenomenal community service of the professionals working in these communities and their dedication to ensuring access to the Bankruptcy Court. Over 9,000 people were served in 2012 by approximately 300 volunteers. [See Table 5] The people served were both creditors and debtors, and the debtors may or may not have actually filed bankruptcy. Where their status was known, it is noted below. Often, the record keeping kept by these very busy organizations does not detail the nature of the assistance sought and what the individual did following contact with the service. At the very least, the clinics are able to track that these individuals received either an attorney referral or legal assistance when they came to the courthouse without counsel. As a result, they may have been able to avoid employing one of the many non-lawyers giving legal advice, or worse, one of the many businesses defrauding distressed homeowners. The judges and clerks were able to assist other litigants instead of being asked for legal advice which they are not permitted to give; and those that did file papers were much more likely to use the correct forms and provide the needed information.

Incoming Hotline Calls and Debtor Inquiries	693
Debtors assisted at Los Angeles Bankruptcy Self-Help Desk and Pro Se Clinic :	1,372
Debtors who attended Chapter 7 Bankruptcy Pro Se Clinics:	333
Debtors counseled before reaffirmation hearings in Los Angeles:	1,363
Debtors counseled before reaffirmation hearings in Woodland Hills:	617



From left: Volunteer attorneys Thomas Bruder (background) and Marcella Wong assist a self-represented filer (foreground)



From left: Volunteer attorney James Beirne and attorney Christian Cooper assist a self-represented filer

bankruptcy basics

Public Counsel LAW CENTER an introduction to chapter 7 consumer bankruptcy law

panel:

Jim King
King & Associates
Moderator

Erik Clark
Borowitz & Clark

Magdalena R. Bordeaux
Public Counsel

date: Thursday, November 29, 2012
time: 9:00 a.m. – 12:00 p.m.
location: Roybal Federal Building
255 E. Temple Street
12th Floor, Assembly Room 1268
Los Angeles, CA 90012

YOU MUST SIGN UP FOR A TWO-HOUR PRO BONO COMMITMENT TO REGISTER FOR THE PROGRAM

Email Christian Cooper at ccooper@publiccounsel.org if you are interested in attending. You will be registered after you have signed up for a two-hour pro bono commitment. Pro bono hours may be completed before or after the program. This program is approved for three hours of MCLE credit. Space is limited.

Program co-sponsored by *cdebaa* and the *United States Bankruptcy Court, Central District of California*

Refreshments generously provided by **Abacus Credit Counseling**

Public Counsel’s Partnership with the Court:

As mentioned earlier in this report, in 2012, Court staff filmed Public Counsel’s chapter 7 seminar, which provides step-by-step bankruptcy instruction. The film, now in the final stages of editing, will be posted online and shared with pro bono organizations district-wide in July 2013.

Also, the Court provided space for two continuing education programs offered by Public Counsel. The programs were offered free of charge in exchange for two volunteer hours per attendee. These well-attended programs have assisted with increasing the number of volunteers for self-help desks district-wide.

BET TZEDEK
1,000 Visitors Served in 2012

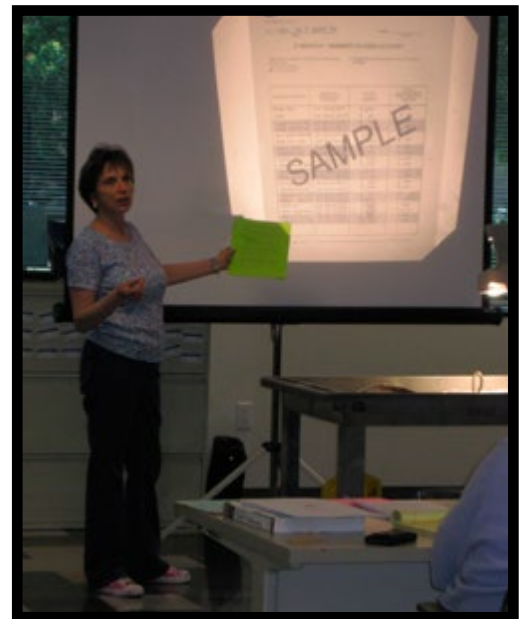
2. BET TZEDEK

Bet Tzedek Legal Services provides a Debtors’ Rights Clinic, giving priority to those who are disabled or 55 years of age or older. Individual representation may also be provided to qualifying debtors. The [Debtors’ Rights and Bankruptcy Program](#) was closed for several weeks in 2012 because Bet Tzedek Legal Services consolidated and relocated all offices. Still, five on-site clinics were held in 2012, and approximately 1,000 clients were assisted.

B. SAN FERNANDO VALLEY DIVISION:

1. Neighborhood Legal Services

In 2012, the [Woodland Hills Self-Help Desk](#) served 1,600 people from the portions of Los Angeles and Ventura Counties served by the San Fernando Valley Division. The number assisted decreased as a result of the cut to clinic hours from Tuesday/Thursday to Thursdays only; volume has increased on Thursdays. To compensate for more limited hours, the clinic began providing both the question and answer session and a seminar every Thursday.



Volunteer attorney Ilyse Kavir giving a seminar on chapter 7

NEIGHBORHOOD LEGAL SERVICES
Over 1,600 Visitors Served in 2012

Number of Chapter 7 Seminars:	54
Number of Q&A Sessions:	52
Number of Creditors Assisted	62



NLSLAC Staff Attorney Jennifer Phan assists visitors to the Self-Help Desk at the San Fernando Valley Division



From left: Volunteer attorneys Mark Brenner and Nicholas Urquizu assist a self-represented filer

C. SANTA ANA DIVISION:

1. Public Law Center



Public Law Center Staff Attorney Leigh Ferrin assists a visitor to the Santa Ana Self-Help Desk



From left: Volunteer attorneys Anthony Madu and Fatima Saleh, Leigh Ferrin, and volunteer attorney Erin Fitzgerald

PUBLIC LAW CENTER
Approximately 790 Debtors Served in 2012

Chapter 7 debtors (with some chapter 13 and creditors):	506
Reaffirmation debtors:	259
Cases placed with private attorneys for full representation:	25

The Orange County Bar's holiday party successfully raised over \$15,000 in December 2012. As a result of the funds raised, [Public Law Center's Self-Help Clinic](#) began operating two days a week in January 2013.

D. RIVERSIDE DIVISION:

1. Joint Federal *Pro Se* Clinic



Joint Federal Pro Se Clinic visitors wait for assistance at the Riverside Division



Clinic Manager, Bob Simmons, assists a self-represented filer



PSLC volunteer attorneys Shirley Ogata (foreground) and Michelle Lara (background) assist visitors at the Joint Federal Pro Se Clinic

The Joint Federal *Pro Se* Clinic in the Riverside Division, operated by Public Service Law Corporation (PSLC), provides assistance to self-represented parties in bankruptcy cases and federal civil actions. Through the clinic, PSLC gives free legal aid to qualifying visitors from 10:00 a.m. to 2:00 p.m. on Tuesdays and Thursdays.



From left: Volunteers Michelle Lara and Shirley Ogata, PSLC Staff Attorney and Clinic Manager Bob Simmons, and PSLC Program Director Diane Roth

Joint Federal *Pro Se* Clinic FY 2012

Number of days clinic operated:	91
Number of persons served:	1821
Average number of persons served per day:	20
Number of bankruptcy cases assisted (76%):	1383
Number of civil cases assisted (24%):	438

E. NORTHERN DIVISION:

1. Legal Aid Foundation of Santa Barbara County



Legal Aid Foundation volunteer attorney, Carissa Horowitz assists a self-represented filer

**LEGAL AID FOUNDATION OF
SANTA BARBARA COUNTY**
Self-Help Clinic Assisted 259 Individuals in 2012

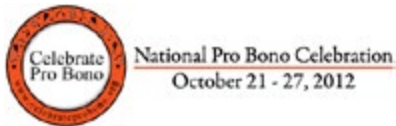
The Legal Aid Foundation of Santa Barbara County operates a [self-help desk](#) in addition to providing assistance at reaffirmation hearings. Usually more than half of the 30 debtors appearing at each reaffirmation calendar receive assistance from a volunteer attorney.

As a result of a \$10,000 grant awarded through the American College of Bankruptcy and American College of Bankruptcy Foundation in 2012, the clinic will be expanding its area and will move to the first floor near the intake lobby.

VI. RECOGNITION

A. COURT HONOR ROLL

The [2012 Honor Roll](#) swelled to 307 volunteers, with the addition of student volunteers and translators, as well as attorneys. The Honor Roll represents the names of volunteers who assist parties in bankruptcy, as submitted by each *pro bono* organization in the district in the fall of every year. Compared to 2011, this year's number of volunteers increased by over one hundred. The Honor Roll is published on the Court's website in the fall to celebrate [National Pro Bono Celebration Week](#). One new organization, Bet Tzedek Legal Services, participated in the Honor Roll in 2012. Public Counsel's Debtors Assistance Project included volunteers for adversary proceedings. The 2012 list also includes paralegal and student volunteers. (The 2011 list did not distinguish between volunteer occupations.)



B. PUBLIC COUNSEL'S LASAROW AWARDS

On June 21, 2012, at the Roybal Federal Building in Los Angeles, Public Counsel hosted the 2012 William J. Lasarow Awards, recognizing the contributions of bankruptcy *pro bono* volunteers. The awards were presented to *pro bono* attorneys from each division in the Central District of

California. An added honor was actually having retired Judge William Lasarow at the ceremony.



2012 Lasarow Awards presentation



From left: Attorney Laura Buchanan, Judge Sheri Bluebond, Judge Thomas B. Donovan, and Judge Scott C. Clarkson



From left: President of Public Counsel Hernan Vera, Judge William K. Lasarow, Public Counsel Senior Staff Attorney Magdalena Reyes Bordeaux and Judge Thomas B. Donovan



From left: Public Counsel senior Staff Attorney Magdalena Reyes Bordeaux with Lasarow Award recipient Manfred Schroer and Judge Vincent P. Zurzolo

VII. FUNDRAISING BY PRO BONO ORGANIZATIONS FOR NON-COURT SERVICES

A. RUN FOR JUSTICE



U.S. Bankruptcy Court chambers and court staff pictured at the March 17, 2012 Run for Justice 5K in Los Angeles, California

On Saturday, March 17, nine U.S. Bankruptcy Court employees braved the cold, wet, and windy conditions to participate in Public Counsel's Ninth Annual "Run for Justice" event. Run for Justice is part of the LA Big 5K Run/Walk, the official pre-race before the 27th annual LA Marathon. Run for Justice provided hospitality and shelter from the rain at the Third Base Prime Ticket Clubhouse inside Dodger Stadium before, during, and after the run.

Public Counsel started the Run for Justice event in 2004 as a fundraiser for the free services it provides the community. This year's informal court "team" grew to include chambers and court staff from three different divisions and included: Michael Hill, Emma Gonzalez, Eryk Escobar, and Hilda Montes de Oca from Woodland Hills; Keith Banner, Robin Beacham, Winnie Diep-Shen, and Jennifer Wright from Los Angeles; and Jennifer Paro from Santa Ana. Although within 15 minutes of leaving the start line, the drizzle turned into pouring rain, all made it across the finish line!

B. INAUGURAL LESLIE COHEN 5K RUN/WALK



Runners at the start of the First Annual Leslie Cohen Law 5K April 28, 2012 in Santa Monica, California

The First Annual "Leslie Cohen Law 5k Run/Walk," benefitting Public Counsel's Debtor Assistance Project, was held on April 28, 2012. The event hosted 250 chip-timed runners who enjoyed a DJ and beautiful weather. There was a great turnout from the Court, the U.S. Trustee's Office, the bankruptcy bar, and the general public. The stunning Santa Monica location and great course made it a popular event where participants were awarded medals and prizes, in addition to Nike tech race shirts.

C. EARLE HAGEN MEMORIAL GOLF TOURNAMENT

The Earle Hagen Memorial Golf & Tennis Tournament was held on October 1, 2012, at the Braemar Country Club in Reseda, California. Sponsored by the Los Angeles Bankruptcy Forum and Central District Consumer Bankruptcy Attorney Association (CDCBAA), the annual tournament is held in memory of Earle Hagen, a well-respected and beloved bankruptcy attorney in the Central District for over 40 years. In 2012, the golf tournament and silent auction were expanded to include a tennis tournament. Each year bankruptcy judges and staff participate, along with attorneys, trustees, and other members of the legal community. All proceeds from the tournament support *pro bono* programs.



Attorneys Jim King (foreground) and Omid Moezzi

D. LOS ANGELES HOLIDAY PARTY

On December 6, 2012, an Annual Holiday Program was hosted in the Edward R. Roybal Federal Building by the Los Angeles Bankruptcy Forum, Central District Consumer Bankruptcy Attorney Association, Los Angeles Federal Bar Association, Financial Lawyers Conference, Los Angeles County Bar Association Commercial Law & Bankruptcy Section, Beverly Hills Bar Association Bankruptcy Section, and the Southern California Chapter of the Turnaround Management Association. Bankruptcy judges and professionals attended the holiday party, with proceeds from the event benefiting participating *pro bono* organizations in the Los Angeles area.

E. SANTA ANA HOLIDAY PARTY



From left: David Hagen, Judge Scott C. Clarkson, Clifford Bordeaux, Hernan Vera, Jane Dubovy, David Jacobs, David Daniels, and Sue Montgomery



*Hula Hoop contest participants
From left: Judge Scott C. Clarkson and
Judge Mark S. Wallace*

Sponsors of the 2012 tournament include:

Los Angeles Bankruptcy Forum,
 Abacus/Sage Credit Counseling,
 Sage Personal Finance,
 Academy of Financial Literacy,
 Jeffrey Karpov,
 Hagen & Hagen Law Firm,
 Sulmeyer Kupetz Law Firm,
 Peter Lively,
 Shinbrot Law Firm,
 Darrow Fiedler,
 Michael Kwasigroch,
 Dennis McGoldrick, and
 Ray Aver.



*From left: Retired Judge John Ryan and Judge
Theodor C. Albert donning Kilts*

On December 13, 2012, the Orange County Bankruptcy Forum and the Commercial Law and Bankruptcy Section of the Orange County Bar Association hosted its Annual Holiday Program and Presentation of the Peter M. Elliott Award at the Derby Grill in Mission Viejo. The event benefitted the ASYMCA Camp Pendleton and the Public Law Center's Bankruptcy Clinics. A hula-hoop contest and an Irish jig contest were among the festivities in which judges and attorneys took part.



U.S. Bankruptcy Court chambers and Clerk's Office staff participating in the festivities



From left: Ilse Ashland, wife of the late Chief Bankruptcy Judge Calvin Ashland and Judge Erithe A. Smith

VIII. CURRENT PROJECTS "UNDER CONSTRUCTION"



A. PATHFINDER ELECTRONIC FILING PROJECT/eSR

The Pathfinder Electronic Filing Project described in the 2011 report has adopted a new name and logo -- "eSR," or "electronic Self-Representation." The eSR program, developed by the Administrative Office of the United States Courts (AO), underwent substantial testing in 2012. Once released, the eSR program will allow self-represented debtors to prepare and submit their own chapter 7 and 13 bankruptcy petition packages. The program will be rolled out in phases, with the first phase allowing chapter 7 petitions only. As one of three test courts, along with the districts of New Jersey and New Mexico, the Court provided considerable feedback throughout 2012 to the AO's Technology Division in order to improve program functionality.

The test courts also spent time collaborating on a "Help" feature application. Once it is incorporated into eSR, the end user will be able to click a "?" icon next to an item to view a more detailed explanation. This should enable the self-represented to use eSR with less difficulty than paper documents once it is rolled out.

In mid-2013, the Los Angeles Division's Self-Help Resource Center, with the assistance of Public Counsel, will begin to offer eSR on its public computer terminals. Prospective debtors will be required to attend a bankruptcy seminar offered by Public Counsel prior to using the program. This will allow testing of the program in an environment designed to better understand the challenges a self-represented debtor faces when completing bankruptcy documents online.

B. LIVE INTERNET CHAT

As part of the recently implemented Call Center, and to continue the expansion of assistance afforded to the public, the Clerk's Office is currently reviewing and evaluating available online chat systems. The Court plans to implement a system to improve service to the public by offering live chat during business hours, with features to provide preprogrammed responses such as direct links to forms and frequently asked questions.

IX. CONCLUSION

This 2012 Report is intended to provide the reader a snapshot of the Court's progress toward meeting the complex and important challenge of providing full access to justice for self-represented parties. While the Court continues to face an extraordinarily high self-represented filing rate, it is steadily improving its ability to assist litigants who are serious about their cases and operating in good faith. Once the eSR program is fully implemented, and assuming funding for the self-help desks continues, the Court plans to make additional strides in getting the word out in the community that these resources are available to prevent unsuspecting financially distressed people from overpaying illegitimate servicers. While the Court strongly advocates access to justice by self-represented parties, the Court continues to urge those who can afford attorneys to hire counsel.