



For The Record

Updates and News From the D.C. Bankruptcy Front



D.C. Bankruptcy Filings Decreasing

DC bankruptcy case filings have been in decline since the year 2010. In 2010, the total number of bankruptcy cases filed in the District of Columbia stood at 1,282. A decently high number like that suggested that filings may actually be on the way to returning to levels comparable to numbers not seen since the pre-Bankruptcy Abuse Prevention and Consumer Protection Act of 2015

were filed; that number dropped to 856 in 2012, and then to 795 in 2013. Current 2014 projections suggest that this trend will continue through the end of 2014.

tection as a means of preventing/staying foreclosure proceedings and, thus affecting the number of filings in the District of Columbia.

The obvious question here is: *"What exactly is causing this steady decline in bankruptcy filings?"*

The answer to this fairly complicated question appears to lie within the *Council of the District of Columbia's Saving D.C. Homes from Foreclosure Emergency Amendment Act of 2010*. This act became effective on November 7, 2010 and a proposed amendment came about in April/May of 2013 to further enhance protections afforded to borrowers when dealing with lenders and potential foreclosure sales. As a result of these local legislative measures, it appears that now, perhaps, DC homeowners no longer feel the need to seek bankruptcy pro-

(BAPCPA). Unfortunately, this was not the case and we've witnessed a steady decline in filings each year since the 2010 spike: in 2011, 959 total cases

"What exactly is causing this steady decline in bankruptcy filings...?"

* Staffing Update *

There have been several notable changes in bankruptcy court staffing since the last issue of *For the Record*...

New Courtroom Deputy:

Aimee Mathewes

Departures:

Sally Myers (2011)

Elizabeth Nelson (2013)

Rob Cavello (2014)

In This Issue:

Bankruptcy Trends	1
Common EDNs	1
Bankruptcy Assistance Center	2
Intern Spotlight	2
Interview	2-3
Statistics	4

Highlights...

- Current Bankruptcy Trends
- Common EDNs
- Bankruptcy Assistance Center
- Interview With Judge Teel
- Summer Intern Spotlight
- Statistics

ATTORNEYS TAKE NOTICE

The Most Common Bankruptcy Deficiencies

Contrary to popular belief, bankruptcy case administrators do not enjoy issuing the dreaded *Electronic Deficiency Notices* that attorneys receive when their filings contain an error (or errors) - we dislike sending the EDNs as much as attorneys enjoy receiving them. However, despite the significant number of EDNs we issue, we still see the same errors constantly being made.

Listed below are several of the most redundant (and easily-fixable) issues we see:

- (1). Proposed Orders Not Being Uploaded (or Docketed and Uploaded).
- (2). Proposed Consent Orders Uploaded, But Not Docketed.
- (3). Failure to distinguish between Local Forms 12 and 13.
- (4). Improper Linkage.
- (5). Using Incorrect Amended

Mailing Matrix Coversheets.

(6). Ambiguous Certificates of Service. - Usually Reflecting Electronic Service Instead of Mail Service.

(7). Notices of Opportunity to Object and Notices of Hearing not being docketed separately.

(8). Not Filing the Summary/Statistical Summary/Declaration When Amending a Schedule(s).

Introducing... The Bankruptcy Assistance Center (BAC)

During the early months of Fall 2013, the U.S. Bankruptcy Court for the District of Columbia realized a monumental vision when it rolled out its *Bankruptcy Assistance Center* (BAC) to the citizens of the District of Columbia and the feedback thus far has been overwhelmingly positive! This was a project in the making since as early as 2010 and the court is thrilled to be able to finally realize its goal of having an accessible legal assistance resource for its many customers. The BAC is being chaired by Jeffrey Sherman, a bankruptcy attorney with long-time ties to the D.C. Bankruptcy Court, and features a volunteer panel of qualified pro-bono attorneys who donate their time to answer questions, free of charge. At its core, the BAC is a program that provides competent bankruptcy legal advice for those individuals who don't have (or can't afford) legal representation. It takes place on the first and third Friday of each month on a first come, first served basis from 11:00 AM to 1:00 PM in Room 1207 of the E. Barrett Prettyman United States Courthouse.



Summer Intern Spotlight *Meet Kristie Wheeler*



The U.S. Bankruptcy Court had the pleasure of having a wonderful intern during the Summer of 2014: Miss Kristie Wheeler. Kristie attends the University of Maryland Eastern Shore, where she is a criminal justice major with a concentration in law enforcement — she will graduate in May 2015. She chose an internship with the bankruptcy court in order to obtain gainful insight and practical experience as to the inner workings of a courthouse; her ultimate goal being to decide what path she would like to take once graduation comes along. Her outstanding work this summer was much appreciated and we wish her the best of luck with her senior year and impending graduation!



FROM THE JUDGE'S CHAMBERS



Interview with U.S. Bankruptcy Judge S. Martin Teel, Jr.

Where did you attend college and law school?

I attended the University of Virginia for both my undergraduate and law degrees.

What did you do before you became a bankruptcy judge?

Upon graduating from law school, I clerked for Judge Roger Robb of the U.S. Court of Appeals for the D.C. Circuit. I then became a trial attorney (and later an assistant section chief) at the Tax Division of the U.S. Department of Justice, trying civil cases including bankruptcy and other tax collection matters, as well as tax refund actions.

What made you want to become a bankruptcy judge?

As an assistant section chief, I had spent half of my time supervising bankruptcy cases in my section for five years, and I found bankruptcy to be an interesting area of the law. I had a very good experience litigating cases as a trial attorney and I thought that being a bankruptcy judge would be a challenging and interesting position. Like anyone else, I wanted to try to excel in an important job and leave a mark. The job has been an incredibly rewarding experience.

Describe the process of becoming a bankruptcy judge.

The appointment is made by the Court of Appeals. When the term of an incumbent judge was coming to an end, the position was advertised for applicants. I remember having a bad cold which led to my submitting my application to the Circuit Executive just under the wire. The next step was to be interviewed by a panel consisting of Judge Norma Holloway Johnson (of the District Court for the District of Columbia), two trial attorneys, and the dean of the George Washington University School of Law. I got past that interview and then a second interview before the same panel. That panel then made recommendations for the Court of Appeals to consider and I was finally interviewed by the judges of the Court of Appeals. Shortly thereafter, Chief Judge Patricia Wald of the Court of Appeals called me, asked "Are you sitting down?" and proceeded to advise me that I'd been selected for the position.

Describe the transition from attorney to judge; how did you “learn” how to become a judge?

The transition from attorney to judge was actually fairly easy in the sense that you fundamentally use the same skill-set you’ve already gained from being a trial attorney. My prior experience as an attorney who regularly practiced in the courtroom setting definitely made me quite well prepared for that aspect of the job, and much of my work at the Tax Division had focused on creditor-debtor issues like treatment of claims in bankruptcy and perfection of liens – issues regularly encountered by a bankruptcy judge. One blind spot which initially made me stumble was the issue of perfection of liens on rents, but I eventually got that issue right.

What do you enjoy most about being a bankruptcy judge?

Overall, I truly enjoy the challenge of trying to find solutions to the complex or even relatively simple issues that arise. A good example of this is statutory interpretation – it’s challenging and intellectually rewarding to marshal the reasons for holding that a statutory provision has a particular meaning.

Are there any drawbacks to being a bankruptcy judge?

Not really. As in any litigation, you have to declare one party the winner and the other the loser, but I wouldn’t call that a drawback. Also, parties sometimes file procedurally deficient papers, but that’s something that you expect to happen in any court system. Part of the interesting challenges of judicial administration is devising the best ways to address such deficiencies.

How has the bankruptcy landscape changed since you first took the bench?

As to the operation of the court, the most dramatic change has been the adoption of electronic docketing and filing. When I first started, files were maintained in paper and dockets were kept on paper. Now attorneys file papers electronically, the entire docket can be viewed electronically, and orders are signed electronically. For instance, I recently reviewed motions and signed orders electronically while on vacation in Peru.

There have been quite a few statutory changes since I first took the bench. Most significantly, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BAPCPA) has made it significantly more expensive to commence a bankruptcy case. BAPCPA has thereby added complexity to the Bankruptcy Code that has considerably dried up the pool of attorneys that accept consumer cases because attorneys no longer feel competent to handle such cases on only an occasional basis.

What do you enjoy doing outside of work?

I enjoy playing golf, watching movies, and gardening.

Do you have any memorable stories that you’d like to share?

We had a real estate appraiser testify many years ago that he was an SRA, and he explained “That’s an *anachronism* for Senior Real Estate Appraiser” – of course he meant *acronym*. Two very good attorneys were representing the parties (Marcia Docter for the debtor and the late Dan Litt for the creditor) and the appraiser was Docter’s witness, so she let the mistake slide by, but Litt cracked a slight smile.

One event out of the ordinary was my visit, with the parties, to a debtor’s property she was claiming was her residence. It had no running water, and that (and the other evidence) persuaded me the property was not her residence, and thus could not be fully exempted.

As to memorable trials, the most challenging one was a weeks-long one involving the valuation of a hospital in Chicago. Sorting out the conflicting expert testimony was a difficult task.

What are the most common errors that you see attorney’s make?

There are two main errors that I see come up quite frequently. The first concerns commencing a contested matter in a bankruptcy case. When commencing a contested matter, electronic service does not suffice – the interested parties must be served by mail or other means specified by Rule 7004.

The second error involves the debtor (or the debtor’s attorney) attempting to amend the mailing matrix. We have local forms that we’ve developed to make the process a little easier for the debtor. We specifically have local amended mailing matrix coversheets that fit each of the four different types of amendments to the mailing matrix: adding creditors; deleting creditors; changing the names of creditors; and change of address of creditors. We also have a local form (Local Form 13) that explains (and serves as compliance) with this court’s Local Bankruptcy Rule 1009-2(e) regarding parties required to be served when amending a mailing matrix.



Statistics



August 2014 Filing Breakdown	Month Total	Year-to-Date
Chapter 7	49	397
Chapter 13	11	78
Chapter 11	2	31
Totals	62	506

Did You Know...?

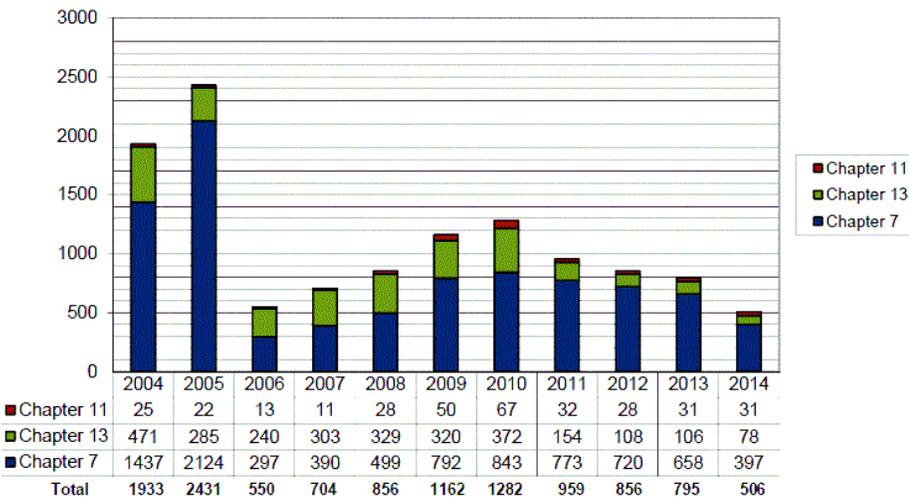
As of August 31, 2014...

- The projected case output for 2014 is 760
- An average of 2.1 cases are filed daily

Compared to 2013...

- New filings have decreased by 7.2%

Total Cases Filed per Year



Contributors

Articles Written By:

Rob Cavello and Kristie Wheeler

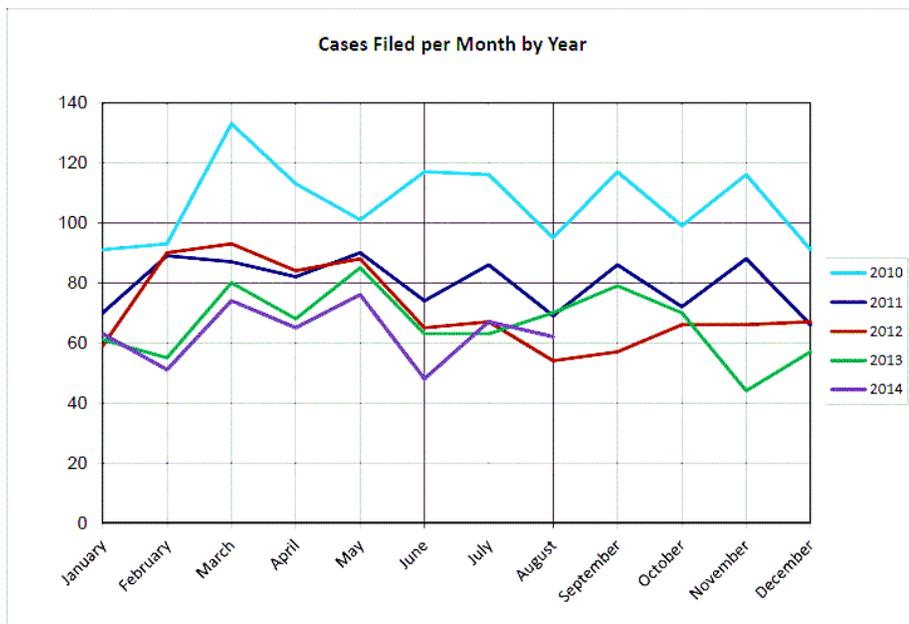
Design and Layout:

Rob Cavello

Special Thanks:

Judge S. Martin Teel, Jr., Aimee Mathewes, and Kristie Wheeler

Cases Filed per Month by Year



U.S. BANKRUPTCY COURT FOR THE DISTRICT OF COLUMBIA

E. Barrett Prettyman Courthouse
333 Constitution Avenue NW
Washington, DC 20001

Main:
(202) 354-3280

ECF Help Desk:
(202) 354-3281

Visit Us Online:
www.dcb.uscourts.gov