



BANKRUPTCY BUZZ

LOCAL NEWS AND INFORMATION

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA

MARCH 2013

COURT ADOPTS LOSS MITIGATION MEDIATION PROGRAM AND WILL HOST TRAINING SESSIONS IN MARCH

by Judge Paul G. Hyman*

**A bio of Judge Hyman appeared in the June 2011 issue of Bankruptcy Buzz. To view it, access Bankruptcy Buzz archives on the court website.*



The court has adopted a new Loss Mitigation Mediation Program under Administrative Order 13-01 "Implementation of Loss Mitigation Mediation Program".

This Order establishes effective dates for eligible debtors, sets the compensation rate for participating mediators and attorneys for debtors, and adopts Loss Mitigation Mediation (LMM) Program Procedures and forms. A copy of AO 13-1, and the related procedures and new LMM forms can be accessed via a new [LMM link](#) on the court website.

The LMM program offers debtors a unique opportunity to engage in settlement discussions with lenders regarding the modification of mortgages and surrender of real property in consumer cases filed under chapters 7, 11, 12 and 13. LMM mediators will be required to facilitate document production and review prior to setting the mediation conference.

To expedite the exchange of information between the debtors and the lenders, the LMM program adopted

by the court mandates the use of a secure online portal (the "LMM Portal") and an on-line program that facilitates the preparation of the debtor's loan modification package (Document Preparation Software).

Mediators participating in the LMM program, unless otherwise agreed to by the parties, must be selected from the Clerk's Register of Mediators maintained under Local Rule 9019-2(A)(1). However, the mediator compensation rate is established under AO 13-01 and the LMM Procedures.

In conjunction with the implementation of LMM, the Local Form "Verification of Qualification to Act as Mediator" (LF-50) has been revised. Currently registered mediators in this court must submit this revised form if they wish to accept LMM assignments. Those persons qualified under Local Rule 9019-2 who are not currently registered must apply by submitting this revised form and will automatically be eligible for LMM assignments. Mediators who have submitted the required verification

indicating they will accept LMM cases will have an "LMM" designation added next to their names on the clerk's list of qualified mediators in this court.

The court will host three "live" LMM training sessions (one in each division of the court) and simultaneous WebEx broadcasts on March 13, 14 and 15, 2013. Training sessions will include an overview of the LMM Program presented by the Chapter 13 standing trustees, followed by an overview by the provider of the Default Mitigation Management Document Portal and Document Preparation Software. A separate [Public Notice](#) has been issued containing training session details and registration information.

I would like to publicly acknowledge and thank the members of the court's working group, Judge Isicoff, the chapter 13 trustees, our clerk of court, Kathy Feldman, chief deputy clerk, Joe Falzone, and Debbie Lewis, staff attorney, for the many dedicated hours they devoted to this project.

Inside this issue:

CM/ECF Version 5.1 Software Upgrade	2
Coming Soon: Online CM/ECF Training	2
Technical Tips For CM/ECF Users	3
Recent Court Notices	3
Chapter 9 Bankruptcies	4
Adding Parties to CM/ECF	5
Bankruptcy/UCC Committee of the FL Bar Business Law Section	6
Free Bankruptcy Clinics	7
Txtpert Puzzle	8

Bankruptcy Cases Filed From 1/1/13 to 2/28/13: Total Filed: 4,773

- Chapter 7 : 3,166
- Chapter 9 : 0
- Chapter 11 : 54
- Chapter 12 : 0
- Chapter 13 : 1,553
- Chapter 15 : 0

Additional filing statistics are available on the court website home page under this tab:





CM/ECF VERSION 5.1 SOFTWARE UPGRADE

This spring, the court will upgrade to CM/ECF version 5.1. This release will contain new features, enhancements and “fixes” for numerous national modification requests including:

- mobile query user interface
- ability for a party/attorney to “self-terminate” appearance in a specific case
- new search options on the Cases Report
- ability to enter multiple social security numbers or tax identification numbers for debtor
- ability to view multiple documents on claims register
- document hyperlinks will contain a page count for each PDF document
- docket activity report will contain a date/time filter to search for docket entries
- docket report will display designated deadlines (e.g., 341 meeting, claims bar date, plan confirmation, 523/727 complaint deadline, financial management course deadline)

Version 5.1 will also include a new transfer of claim filing fee that will become effective on May 1, 2013. Version 5.1 resource materials will be posted on the court’s CM/ECF web page as it becomes available.

By: Joe Falzone

COMING SOON: ONLINE CM/ECF TRAINING



Want an easier way to meet the CM/ECF training requirement to receive a live login? Want the training from the convenience of your home or office? We thought so. Beginning this summer, an attorney can choose to complete an online training course in order to start filing cases via our court’s case management/electronic case filing system (CM/ECF). You are in the driver’s seat. When you get your live log-in will depend on when you complete the CM/ECF Online Training course. And yes, just like the classroom course, you can still receive CLE credits for the online course!

The CM/ECF Online Training course is made up of a series of electronic learning modules (ELMs for short) customized for Full Attorney Filers and Limited Filers. You will be an interactive learner as you progress through the ELMs to complete the online course. It will provide instruction on opening new cases and filing various sample pleadings via CM/ECF. Each tutorial provides the option for closed captioning and includes a PDF of the slides notes.

The introduction of the new CM/ECF Online Training will be followed by an online library of tutorials for other steps and tips you will find useful when filing via CM/ECF. In essence, we will build an online repository of how-to’s you can access 24/7 as you need it! We encourage any non-attorney support staff in your office involved in the electronic case filing process to take advantage of these on-line tutorials.

Get a sneak peek now by looking at the [CH 7 Calendaring ELM](#). Although not interactive as the upcoming online tutorials, it will provide a glimpse of their style and navigation.

The online course replaces the classroom training that has been conducted at Florida Southern Bankruptcy divisional offices since the 2005 implementation of CM/ECF.

Stay tuned to upcoming articles in The Buzz newsletter as summer approaches.

By: Dailin Pena



TECHNICAL TIPS FOR CM/ECF USERS

By: Jose Rodriguez

- 1) Bankruptcy CM/ECF 4.3 has been tested and works correctly with Firefox 3.5, Internet Explorer 7 and 8. For optimum reliability, try not to use other browsers with CM/ECF.
- 2) MAC users the preferred browser for CM/ECF is Firefox. You can download it from:
<http://www.mozilla.org/en-US/>
- 3) To ensure the reliable operation of CM/ECF, try to clear your browser's cache regularly (if using Internet Explorer 8: select Tools->Internet Options->General Tab->click Delete button next to "Browsing history." In the next screen, make sure there are check marks next to: "Temporary Internet Files" and "Cookies"; then click Delete button).
- 4) When using Internet Explorer 8, make sure that the Page->Zoom setting is 100%; otherwise, CM/ECF selection list boxes may appear truncated, so that you cannot select items in these boxes.
- 5) Make sure you that are accessing the correct court's CM/ECF system; to file a document in the Bankruptcy Court, Southern District of Florida CM/ECF system, point your browser to:
ecf.flsb.uscourts.gov.
- 6) Make sure that you are using the correct login account and password when filing a document in the Bankruptcy Court CM/ECF system (do not use a District Court account; do not use a PACER account).
- 7) When using the Maintain User Account screen to update your CM/ECF account information, make sure that, when you select: "Email information...", that you correctly enter all e-mail addresses in the following fields: "Primary email address," and (if you use this feature) "Secondary email address." Otherwise, the transmission of notices of electronic filing in your cases to these e-mail addresses will not be successful.

RECENT CLERK'S OFFICE NOTICES POSTED ON COURT WEBSITE

- [13-03-01 Notice of Replacement of Local Form 8 With Local Forms 8A and 8B](#)
- [13-02-28 Notice of Opportunity to Participate in Loss Mitigation Mediation \(LMM\) Program Training](#)
- [13-02-26 Notice of Implementation of Loss Mitigation Mediation \(LMM\) Program](#)
- [13-02-07 Notice of Name Change for Chapter 13 Standing Trustee](#)
- [13-02-01 Clerk's Notice of Pilot Program Extending Self-Calendaring to Chapter 7 Cases Assigned to Judges in the WPB Division](#)
- [13-01-29 Notice of Change in Clerk's Office Hours of Operation](#)
- [13-01-28 Notice of New and Revised Local Forms](#)



CHAPTER 9 BANKRUPTCIES

By: Jacqueline Antillon

Have you ever wondered what happens if cities, counties and other municipalities can't pay their debts? Do all services shut down? Are the parks and schools sold to the highest bidders to pay off creditors? Can they file for bankruptcy?

In 1934, the first municipal bankruptcy legislation was enacted by Congress during the Great Depression. Congress took care to draft legislation that would not interfere with the sovereign powers of the states guaranteed by the Tenth Amendment to the Constitution; however, the Supreme Court held the 1934 Act unconstitutional as an improper interference with the sovereignty of the states. In 1937, Congress amended the law and thus the birth of chapter 9. The law has been amended several times since 1937. The purpose of chapter 9 is to provide reorganization of the distressed municipality seeking relief from creditors.

Chapter 9 of the United States Bankruptcy Code is available exclusively to municipalities. The term municipality is defined in the code as "political subdivision or public agency or instrumentality of a State". 11 U.S.C. § 101(40). The definition is broad enough to include cities, counties, townships, school districts, and public improvement districts. It also includes revenue-producing bodies that provide services which are paid for by users rather than by general taxes, such as bridge authorities, highway authorities, and gas authorities. Section 109(c) of the Bankruptcy Code sets forth four additional eligibility requirements for chapter 9, including that the entity is authorized to be a chapter 9 debtor under state law.

Eligibility to file chapter 9 fluctuates from state to state. Some states have no statutes, others have conditions before a municipality can file and other states provide blanket authorization. In Florida, section 218.01 of the Florida Statutes authorizes filings by municipalities, taxing districts and political subdivisions.

Although chapter 9 is similar to other bankruptcy chapters in some respects, it is significantly different in that there are no provisions in the law to liquidate assets and distribute proceeds to creditors. Chapter 9 reorganization is an "adjustment of debt". The purpose of Chapter 9 is to provide a financially-distressed municipality protection from its creditors while it develops and negotiates a plan for adjusting its debts. Reorganization of the debts of a municipality is typically accomplished either by extending debt maturities, reducing the amount of principal or interest, or refinancing the debt by obtaining a new loan.

As a last resort, many local governments have filed under chapter 9. These entities have faced major budget cuts and through the years have accumulated a number of debts forcing them to seek protection from the bankruptcy court. Unlike the other bankruptcy chapters, the court's power is limited to approving the bankruptcy petition, confirming a plan of adjustment and ensuring implementation of the plan. One major difference is the assignment of the bankruptcy judge. The chief judge of the court of appeals for the circuit court designates the bankruptcy judge to administer the case to ensure the judge assignment is non political and to ensure it will be handled by a judge who has the time and capability of doing so.

Chapter 9 filings are not common. According to statistics from the U.S. Courts, from 1986-2011 there were 263 Chapter 9 bankruptcies filed nationwide, with 13 filed in FY 2011. Some cities, towns and counties that have recently filed chapter 9 bankruptcy include:

Boise City, Idaho – filed: 9/2011 (dismissed)
Stockton, CA – filed: 6/2012 (Largest U.S. city to file for bankruptcy.)
San Bernardino, CA – filed: 8/2012
Town of Mammoth Lakes, Calif. Filed 7/2012(Dismissed)
Jefferson County, AL - filed: 11/2011
Harrisburg, PA - filed: 10/2011 (dismissed)
Central Falls, RI - filed: 8/2011

For additional information on chapter 9 cases, see the U.S. Courts articles: <http://news.uscourts.gov/what-happens-when-cities-go-bankrupt> and <http://www.uscourts.gov/FederalCourts/Bankruptcy/BankruptcyBasics/Chapter9.aspx>



ADDING PARTIES TO CM/ECF

By Lorraine Adam

For most e-filers, adding a party in CM/ECF is a daily function. The preferred method of entering names is to omit non-essential elements.

LONG PARTY NAME
INDICATED IN THE DOCUMENT



Capital Bank, NA f/k/a WXYZ National Bank



SHORTENED NAME
TO BE ENTERED IN CM



Capital Bank NA

-OR-

US National Bank Association, as Trustee for
the ABCDE Trust 2006-FGH Mortgage Pass-
Through Certificates, Series 2006-FGH



US National Bank Assoc

Entering the shortened version of a party name into the system will ensure proper service, as well as provide a shorter docket and a shorter calendar, as seen below:

Motion for Relief from Stay filed by US National Bank Association, as Trustee for the ABCDE Trust 2006-FGH Mortgage Pass-Through Certificates, Series 2006-FGH.	vs.	Motion for Relief from Stay filed by US National Bank Assoc.
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SDFL BANKRUPTCY FILINGS DOWN

Bankruptcy case filings for calendar year 2012 (31,020) were down 13.25% over 2011 (35,757), and continue their downward trend in 2013. For the first two months of 2013, filings are down 6.7% over the same period in 2012, and for the 12 month period ending February 2013, they are down 13.30% (30,674) compared to the same period ending February, 2012 (35,378). Nationally, the trend is similar, with filings down 13% for calendar year 2012, compared with 2011.

By: Joe Falzone



Note: The following article was submitted for publication in Bankruptcy Buzz by Jay Brown, Chair, Bankruptcy/UCC Committee of the Florida Bar Business Law Section

The Bankruptcy/Uniform Commercial Code Committee of the Business Law Section of the Florida Bar

For those not familiar with the Bankruptcy/UCC Committee of the Business Law Section of the Florida Bar, this article is intended to introduce you to this Committee. For those of you already familiar, this article lets you know some of the items the Committee will work on in 2013.

The Committee consists of lawyers who practice commercial and consumer law and specialize in bankruptcy, creditors' rights, and secured transactions. Committee activities include:

- (1) drafting and analyzing proposed legislation concerning the Uniform Commercial Code, other rights of debtors, creditors and other persons in interest under state law (foreclosure, assignment of rents, etc.), exemptions, assignment for the benefit of creditors, and other related legislation;
- (2) sponsoring various seminars, including the annual View From the Bench in Tampa and Miami, at which Bankruptcy Judges share their respective views concerning bankruptcy law and procedure;
- (3) studying substantive and procedural laws that impact commercial and bankruptcy law; and
- (4) working on and supporting of pro bono, diversity and law student/mentoring initiatives of the Business Law Section and Florida Bar.

The Committee meets three times a year: at the Florida Bar's annual meeting (June 25-29, 2013 at the Boca Raton Resort & Club), at the Business Law Section's retreat in Naples over Labor Day weekend, and at a mid-year meeting (usually in December or January). There are also various subcommittees that meet in person or by phone conference over the course of the year as well. The statewide Bankruptcy Judicial Liaison Committee meets with a dinner to follow the day prior to each of the Bankruptcy/UCC Committee meetings.

In 2013, the Committee expects to analyze and give input on a number of pending and anticipated legislative measures, including:

- (1) Amendments to Florida's Limited Liability Company Statute;
- (2) Amendments to Florida's Uniform Fraudulent Transfer Act (Fla. Stat. ch. 726) to add charitable organization protections;
- (3) Amendment of Fla. Stat. § 55.10 to include final orders of state agencies; and
- (4) Efforts to enact non-judicial foreclosure.

On April 26, 2013, the Committee will sponsor a refresher course on Article 9 of the Uniform Commercial Code in Tampa. We are also working on a statewide call-in CLE on Bankruptcy and Intellectual Property issues.

The Committee is also working on a project on receivers and receiverships with the Florida Bar's Real Property Probate and Trust Law Section.

This is just a sample of the work the Bankruptcy/UCC Committee does each year. For more information or for details on future Committee events, see www.flabizlaw.org or contact me at jacob.brown@akerman.com

**FREE BANKRUPTCY CLINIC**

Dade Legal Aid/Put Something Back Pro Bono Project, Legal Aid Society of Palm Beach, Inc., American College of Bankruptcy & The Bankruptcy Bar Association of the Southern District of Florida Present Free Pro Se Clinics at the Bankruptcy Courthouse On the Following Dates and Times:

Miami Division: 51 SW 1 Avenue, Room 1510*

Friday, March 8, 2013 12 p.m. – 2 p.m.

Friday, April 12, 2013 12 p.m. – 2 p.m.

Friday, May 17, 2013 12 p.m. – 2 p.m.

Friday, June 14, 2013 12 p.m. – 2 p.m.

* In Miami, you may bring a cell phone to the pro se clinic.

Fort Lauderdale Division: 299 East Broward Boulevard, Courtroom 301**

Friday, April 5, 2013 12 p.m. – 1:30 p.m.

Friday, May 3, 2013 12 p.m. – 1:30 p.m.

Friday, June 7, 2013 12 p.m. – 1:30 p.m.

West Palm Beach Division: 1515 North Flagler Drive, 8th Floor, Courtroom B**

Wednesday, March 13, 2013 11:30 a.m. – 1 p.m.

Wednesday, April 17, 2013 11:30 a.m. – 1 p.m.

Wednesday, May 15, 2013 11:30 a.m. – 1 p.m.

Wednesday, June 19, 2013 11:30 a.m. – 1 p.m.

** In Fort Lauderdale and West Palm Beach, you cannot bring a cell phone or other electronic device to the courthouse or you will be denied entry. Please note that cell phones and electronic devices will not be stored for you.

At the clinic, there will be a 45 minute video presentation outlining procedures for filing bankruptcy. Next, there will be a question and answer session. Then, you may meet with a bankruptcy attorney to discuss your case and get advice on general bankruptcy matters. Please note that the project/volunteers do NOT represent you and take no responsibility for your case. You are responsible for responding to any pleadings and for protecting your own legal rights.

FOR FURTHER INFORMATION, PLEASE CONTACT:

MIAMI: amiranda@dadelegalaid.org

FORT LAUDERDALE: kimberly.salamone@ntmlawfirm.com

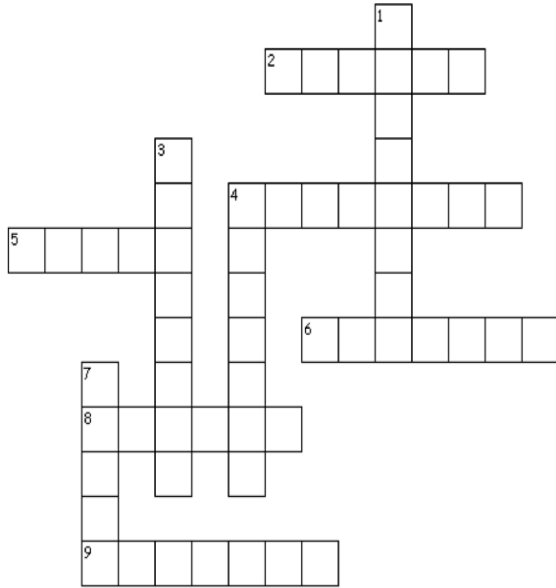
WEST PALM BEACH: erosen@rosenwinig.com



Txtpert BY LORRAINE ADAM

Use the phone keypad to decode the clues.

Theme: Proof of Claim form



Across:

Down:

- 2. 263637
- 4. 77467489
- 5. 82583
- 6. 6684237
- 8. 266868
- 9. 7328733

- 1. 46837378
- 3. 27334867
- 4. 7296368
- 7. 22747

ANSWERS BELOW

COURT MISSION STATEMENT

To promote public trust and confidence in the administration of bankruptcy cases:

- *through easy access to comprehensible, accurate information about the court, its procedures, and records;*
- *by the efficient, respectful, and dignified conduct of business at all levels of the court—clerk's office, chambers and courtroom;*
- *through adjudication of bankruptcy cases by a fair and impartial tribunal that is designed to provide relief to the honest debtor, equitable distribution of available assets to creditors, and preservation of jobs and value through successful business reorganizations.*

CONTACT BANKRUPTCY BUZZ PUBLICATION STAFF

If you have any comments regarding this issue or want to suggest ideas for future articles, please contact "Bankruptcy Buzz" staff at the following email address

Debbie_Lewis@flsb.uscourts.gov.

Please do not use the above email address to file or send papers to the court or to ask questions about court procedure or status of a particular case. Contact the clerk's office at any of the following numbers for assistance in these matters. Visit the court website www.flsb.uscourts.gov for local filing information.

Thank you.

Miami: (305) 714-1800
 Ft. Lauderdale: (954) 769-5700
 West Palm Beach: (561) 514-4100

Please Note:

Clerk's office staff is not permitted to give legal advice.

Answers to "Txtpert" Puzzle

Across:

- 2. 263637 = Amends
- 4. 77467489 = Priority
- 5. 82583 = Value
- 6. 6684237 = Notices
- 8. 266868 = Amount
- 9. 7328733 = Secured

Down:

- 1. 46837378 = Interest
- 3. 27334867 = Creditor
- 4. 7296368 = Payment
- 7. 22747 = Basis