

# PL-2521: BANKRUPTCY AND DEBTOR/CREDITOR LAW

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## Cuyahoga Community College

**Viewing: PL-2521 : Bankruptcy and Debtor/Creditor Law**

**Board of Trustees:**

January 2024

**Academic Term:**

Fall 2024

**Subject Code**

PL - Paralegal Studies

**Course Number:**

2521

**Title:**

Bankruptcy and Debtor/Creditor Law

**Catalog Description:**

Study of bankruptcy and basic legal principles governing rights and duties of debtors and creditors. Introduction to bankruptcy laws, specifically Chapters 7, 11, and 13 of United States Bankruptcy Code and applicable Ohio law. Preparation of bankruptcy petitions, related schedules and documents needed for initial filing of petition is covered. Debt counseling protection, compromise and collection techniques including garnishment, foreclosure and attachment of personal property are explored.

**Credit Hour(s):**

3

**Lecture Hour(s):**

3

**Lab Hour(s):**

0

**Other Hour(s):**

0

## Requisites

**Prerequisite and Corequisite**

ENG-1010 College Composition I, or ENG-101H Honors College Composition I; and PL-1001 Introduction to Paralegal Profession, or concurrent enrollment.

## Outcomes

**Course Outcome(s):**

Access and utilize the United States Bankruptcy Code, distinguishing between the various Chapters as needed for various situations.

**Essential Learning Outcome Mapping:**

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

Information Literacy: Acquire, evaluate, and use information from credible sources in order to meet information needs for a specific research purpose.

**Objective(s):**

1. Identify and utilize information regarding the benefits and drawbacks of filing Chapter 7, Chapter 11, and Chapter 13 bankruptcy under the United States Bankruptcy Code.
2. Identify statutory exemptions under the United States Bankruptcy Code and applicable Ohio law.
3. Classify debts under the United States Bankruptcy Code and applicable Ohio law.
4. Describe the rights and duties of debtor(s) and creditor(s) under the United States Bankruptcy Code and applicable Ohio law.

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**Course Outcome(s):**

Outline the United States Bankruptcy Court structure, identifying the authority of each judiciary level.

**Objective(s):**

1. Examine the Bankruptcy Court structure, including the authority of each judiciary.
2. Identify and define Bankruptcy Court appellate procedures.

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**Course Outcome(s):**

Analyze and explain the paralegal's role in bankruptcy practice, with special emphasis on ethical considerations.

**Essential Learning Outcome Mapping:**

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

**Objective(s):**

1. Define the duties and functions of the paralegal involved with clients who desire or have filed bankruptcy petitions, with special emphasis on ethical considerations which may arise.
2. Examine and explain the functions of a paralegal in debt collection.
3. Create and maintain a tickler system to assure compliance with bankruptcy deadlines.
4. Learn how to handle routine phone calls, correspondence to and from parties, as well as meetings with clients, with special emphasis on the "341 Meeting," involved in the bankruptcy proceeding.

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**Course Outcome(s):**

Prepare a Bankruptcy Petition, including the various statements, schedules and Proof of Claim.

**Essential Learning Outcome Mapping:**

Written Communication: Demonstrate effective written communication for an intended audience that follows genre/disciplinary conventions that reflect clarity, organization, and editing skills.

**Objective(s):**

1. Prepare petitions, related schedules, Proof of Claims, and any other documents needed for the initial filing of petitions under the United States Bankruptcy Code Chapters 7 and 11.
2. Define and explain automatic stays, protection from creditors, and the "Means Test," along with its companion form calculation.

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**Methods of Evaluation:**

1. Attendance and oral participation
2. Midterm and final examinations
3. Preparation of filings and related documentation
4. Memorandums
5. Bankruptcy protection from Chapter 7 or Chapter 13
6. Stay protection from creditors

**Course Content Outline:**

1. Introduction
  - a. Advising debtors and/or creditors and the unauthorized practice of law
  - b. Brief comparison of relief available under the United States Bankruptcy Code
  - c. Terms used under the United States Bankruptcy Code
2. Define the United States Bankruptcy Court structure, identifying the authority of each judiciary level.
3. Exemptions and stays
  - a. Exemptions available under both federal and Ohio law
  - b. The automatic stay under the United States Bankruptcy Code
  - c. Section 341 hearing (meeting of creditors) under the United States Bankruptcy Code
4. Liquidation under Chapter 7 of the United States Bankruptcy Code

- a. Rights and duties of the debtor(s)
  - b. Duties and powers of the trustee
  - c. Rights and duties of the creditor(s)
  - d. Preparation of Chapter 7 schedules
  - e. Administrative and priority claims
  - f. Leases and executory contracts
  - g. Adequate protection
  - h. Reaffirmations, redemptions, and lien avoidance
  - i. Conversion to a Chapter 13
  - j. Involuntary bankruptcy
  - k. Discharge
  - l. Post-discharge matters
5. Adjustment of debts under Chapter 13 of the United States Bankruptcy Code
- a. Rights and duties of the debtor(s)
  - b. Duties and powers of the trustee
  - c. Rights and duties of the creditor(s)
  - d. Comparison of Chapter 13 schedules with Chapter 7 schedules
  - e. Administrative and priority claims
  - f. Leases and executory contracts
  - g. Adequate protection
  - h. Reaffirmations, redemptions, and lien avoidance
  - i. Conversion to a Chapter 7
  - j. Confirmation of a Chapter 13 plan/workout
  - k. Post-confirmation matters
6. The Chapter 11 Plan of the United States Bankruptcy Code
- a. Rights and duties of the debtor(s)
  - b. Duties and powers of the trustee
  - c. Rights and duties of the creditor(s)
  - d. Preparation of Chapter 11 schedules
  - e. Administrative and priority claims
  - f. Leases and executory contracts
  - g. Adequate protection
  - h. Reaffirmations, redemptions, and lien avoidance
  - i. Involuntary bankruptcy
  - j. Confirmation of Chapter 11 plan/workout
  - k. Post-confirmation matters
7. Secured transactions
- a. Liens
  - b. Collateral classification
  - c. Attachment
  - d. Perfection
  - e. Priority
  - f. Default
  - g. Consumer protection laws
8. Commercial paper
- a. Negotiable instruments
  - b. Negotiability
  - c. Holder in due course
  - d. Defenses
  - e. Liability
9. Creditor's options
- a. Judgments and judgment liens
  - b. Promissory and cognitive notes
  - c. Replevin
  - d. Foreclosure
  - e. Post-judgment remedies (including preparation of standardized court forms)
    - i. attachment and sale of personal property
    - ii. garnishment of personal earnings

- iii. garnishment of property other than wages
  - iv. creditor's bills
  - v. negotiations
  - vi. nullifying fraudulent conveyances
10. Fair debt collection practices
- a. Federal and state legislation
  - b. Common law remedies including invasion of privacy, intentional infliction of emotional distress, and malicious prosecution actions
  - c. Underlying policies
  - d. Specific limitations on creditor's conduct

## Resources

Buchbinder, David L. *Basic Bankruptcy Law for Paralegals*. Twelfth ed. Wolters Kluwer, 2023.

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Luppino, Grace A. *Bankruptcy Law and Practice*. 16th ed. Pearson, 2016.

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Parsons, Stephen P. *The ABCs of Debt*. Fifth ed. Wolters Kluwer, 2019.

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Charles J. Tabb and Ralph Brubaker. *Bankruptcy Law: Principles, Policies, and Practice*. Fifth ed. Carolina Academic Press, 2021.

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## Resources Other

- 1. Precopied materials/forms.
- 2. Statutes.

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