

10/27/05 INITIAL PRÉCIS FOR ZDP

There is much concern generally over the effect on blue collar and middle class workers of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the “2005 Act”). This is because the 2005 Act is designed to deny access to the bankruptcy courts in the following ways:

- Requiring pre-filing credit counseling.
- Imposing new liabilities and responsibilities on consumer bankruptcy counsel, thus driving up costs of filing and prosecuting consumer bankruptcies.
- Imposing a means test to determine whether a given Chapter 7 bankruptcy filing is abusive and must be dismissed or converted to Chapter 11 or Chapter 13 (see, e.g., 11 United States Code §707(b)(1)-(2)).

The Zachery Dorsett Project (“ZDP”) is a proposed charitable endeavor designed to ameliorate some of the most predictably pernicious effects of the 2005 Act by means of voluntary donations from the public, specifically including members of the commercial bankruptcy bar throughout the United States. ZDP makes the following proposals:

- Fund a free web-based credit counseling service that meets all legal requirements of the 2005 Act (the “ZDP Website”).
- Provide a place on the ZDP Website where a consumer may apply to use certain pre-approved consumer bankruptcy counsel (the “ZDP Lawyer Referral System” and “ZDP Approved Counsel”, respectively).
- Provide a place on the ZDP Website where a ZDP Approved Counsel may apply for a grant-in-aid to assist any consumer who qualifies for ZDP Approved Counsel under the ZDP Lawyer Referral System either with payment of (i) legal fees or (ii) for any other appropriate and

necessary financial aid to bring relief under sufficiently distressed circumstances, as determined by ZDP, to the consumer.

As this is merely a précis, the policy arguments for ZDP are not set forth in any detail. Suffice it to say, the main objectives are to provide the entire consumer bankruptcy population the benefit of a free, well-designed and efficient means of meeting the credit counseling requirements of the 2005 Act. Next, to identify and support (and keep from exiting the field) competent consumer bankruptcy practitioners by subsidizing their fees with public charity in appropriate cases.¹ Third, and as an ultimate act of public charity to persons such as Sharon and Arnold Dorsett (Zachery's parents), to give funds to rebuild lives and improve social justice.

¹ Note that no consumer bankruptcy attorney will be permitted to contribute to ZDP and be on the referral list, which will be merit based only.