

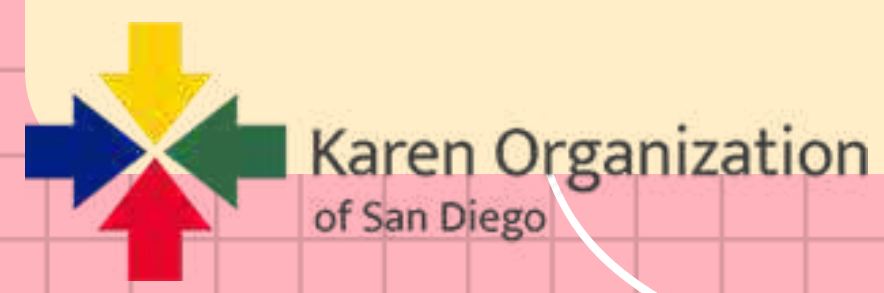
PRESENTED BY:
IRIS & MICHELLE

Community Education Presentation

CONSUMER PROTECTIONS & SCAMS



Welcome!



California Western Community Law Project - Clinic Dates - Winter/Spring 2024

Prior to attending a CLP clinic, please check the CLP website at www.cwclp.org for updates, schedule changes and closures.

DOWNTOWN - First Lutheran Church

1420 Third Avenue, San Diego, CA 92101

Each Monday evening - 5:30 p.m. - 7:30 p.m.

Closed on Federal holidays and during some holiday periods.

CITY HEIGHTS - Hoover High School

4474 El Cajon Blvd. San Diego, CA 92115

Main office building entrance at the parent center

Each Tuesday afternoon - 11:45 a.m. to 1:45 p.m.

Closed on school holidays and during some holiday periods.

SOLANA BEACH - St. Leo Mission Church

936 Genevieve Street, Solana Beach, CA 92075

One Wednesday a month - 5:30 p.m. to 7:30 p.m.

OPEN Clinics dates: 1/17, 2/21, 3/13, 4/10

NORTH PARK - St. Luke's Church

3725 30th St, San Diego, CA 92104

Select Fridays - 8:45 a.m. to 10:45 a.m.

OPEN Clinic dates: 1/19, 2/2, 2/16, 3/1, 3/15, 4/5, 4/19

CITY HEIGHTS - Rosa Parks Elementary School

4510 Landis Street, San Diego CA 92105

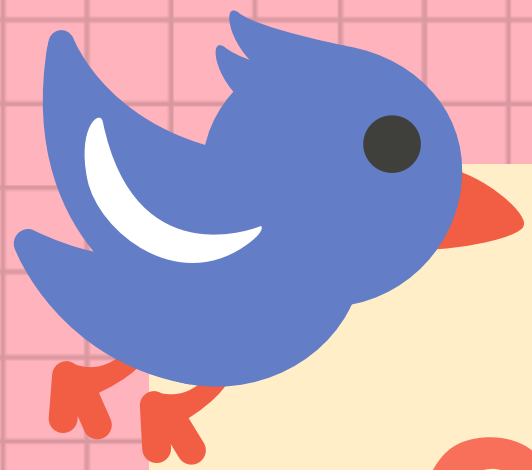
Select Fridays - 8:45 a.m. to 10:45 a.m.

OPEN Clinic dates: 1/12, 1/26, 2/9, 2/23, 3/8, 3/22, 3/29, 4/12, 5/3

WE PROVIDE FREE AND CONFIDENTIAL LEGAL INFORMATION, ADVICE AND REFERRALS. WE DO NOT REPRESENT CLIENTS.



WHO WE
ARE
&
WHERE TO
FIND US

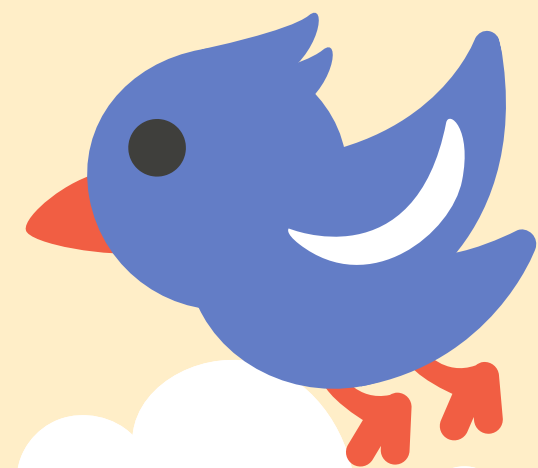


GENERAL DISCLAIMER.

The information provided in this presentation is not intended to constitute legal advice; instead, all information, content, and materials available in this presentation are for general informational purposes only.

Attendees should consult a lawyer to obtain legal advice with respect to any particular legal matter.

We are law students and are not authorized to give you legal advice.



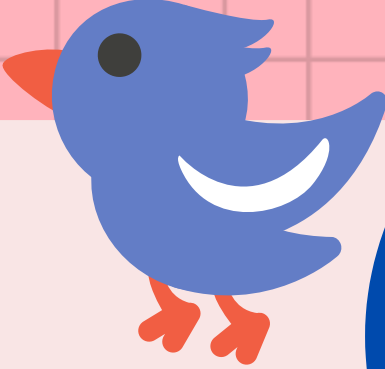
Complaints and Losses over the Last Five Years*



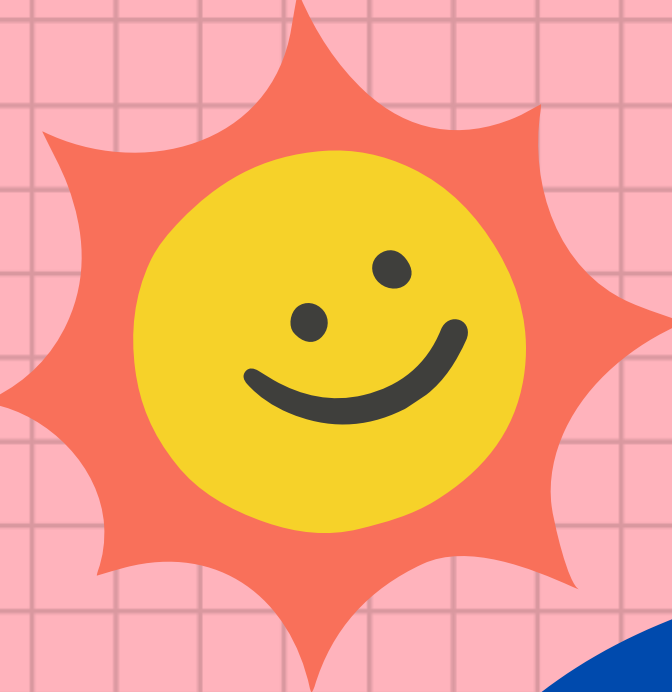
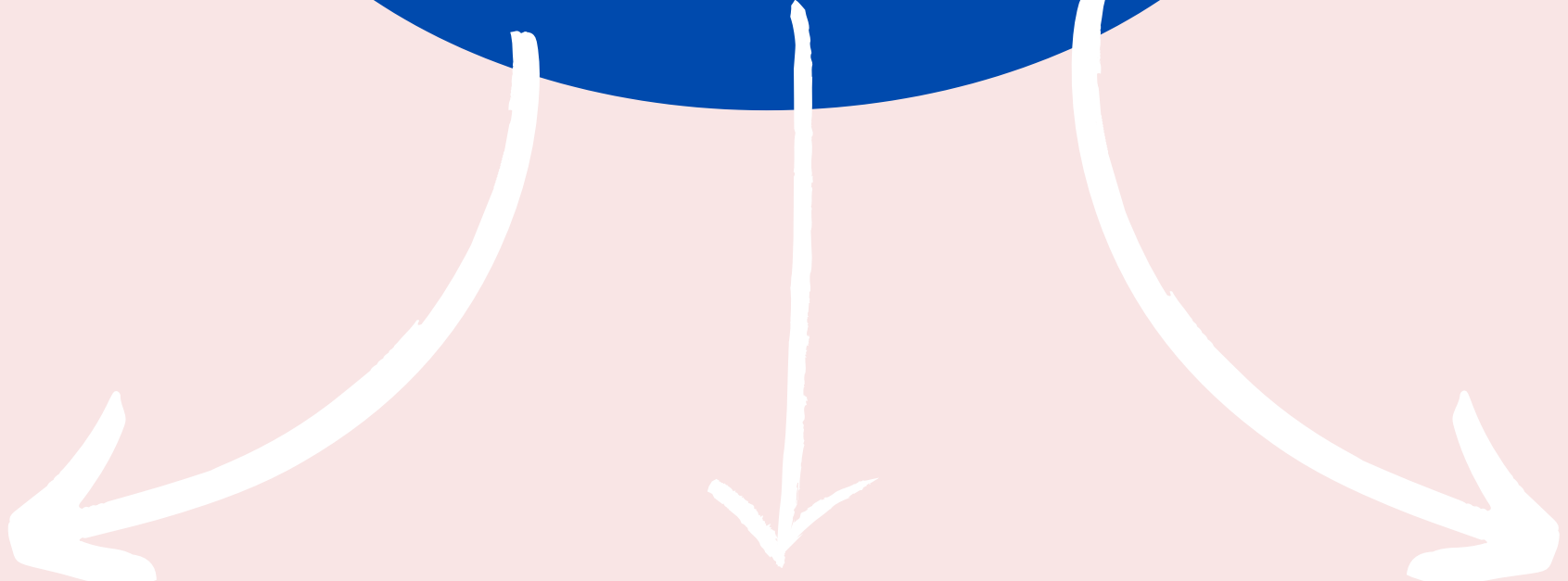
3.79 Million
Total Complaints

\$37.4 Billion
Total Losses


**SCAM
REPORTS
ARE ON THE
RISE**



TODAY WE WILL
COVER THE 3
MOST COMMON
TYPES OF SCAMS




Gift Card
Scams



Housing /
Section 8 Scams



Dating
Scams





ROB BONTA

Attorney General

Tra

HOME ABOUT MEDIA CAREERS REGULATIONS RESOURCES PROGRAMS APPOINTMENTS

Common Scams

Home / Protecting Consumers / Common Scams

Learn how to protect yourself from some common consumer scams, including credit repair and debt relief scams, tax scams, pyramid schemes, and many more.

Charity Scams

Learn how to protect yourself from misleading charities and donation requests [here](#). Other information on the Attorney General's regulation of charities is available [here](#).

Checking a Company's Background

Tips on how to check out a company's legitimacy and reputation before you enter a contract or make a major purchase.

Crowdfunding

Online crowdfunding platforms allow you to be part of the development of an innovative, creative, or philanthropic project. Here's what you need to know before participating in a crowdfunding campaign.

Free Trial Products

**BUT, YOU CAN
PROTECT YOURSELF
FROM A SCAM
BEFORE IT HAPPENS.**

7

THE MOST COMMON METHOD OF SCAMS



Phone Call /
Text message



Emails



Online platforms /
websites

Hello! Can you please help me? It's your mother and I need you to pay \$500 right now, or the police will take me!!

Where are you? Why aren't you answering?!

I just need you to send me the money using a gift card, I can't answer now while I speak to the police. I need the money now! Please!!

TAMPERED

SAFE



Your paragraph text

ABC15 | MORNINGS

NEW GIFT CARD BUT NO BALANCE?

HOW TO CHECK FOR TAMPERED CARDS

6:5

EXAMPLES OF TAMPERED GIFT CARDS





FBI RECOMMENDATIONS

- > CHECK IF PACKAGING SEEMS TAMPERED WITH**
- > LOOK FOR A STICKER OVER SCRATCH-OFF MATERIAL**
- > BUY GIFT CARDS BEHIND A COUNTER**
- > SAVE RECEIPTS**

FBI WEIGHS IN ON GIFT CARD SCAM

New Message

10

Subject: Latest Gift Card Scams

From: theIRS.GOV <scammersandmore.com.>

EMERGENCY MESSAGE FROM THE IRS.

The SSN ending in **XXX-XX-1234** failed to report \$300 in taxes this year.

Please send this immediately to avoid any further criminal charges!

The total due with interest is **\$600**. We may increase this amount as we deem it necessary. Please purchase a gift card and call us to transfer the funds. Our number is 1-800-123-4567.

**DO NOT
RESPOND**

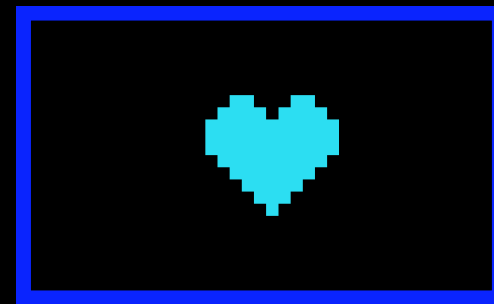
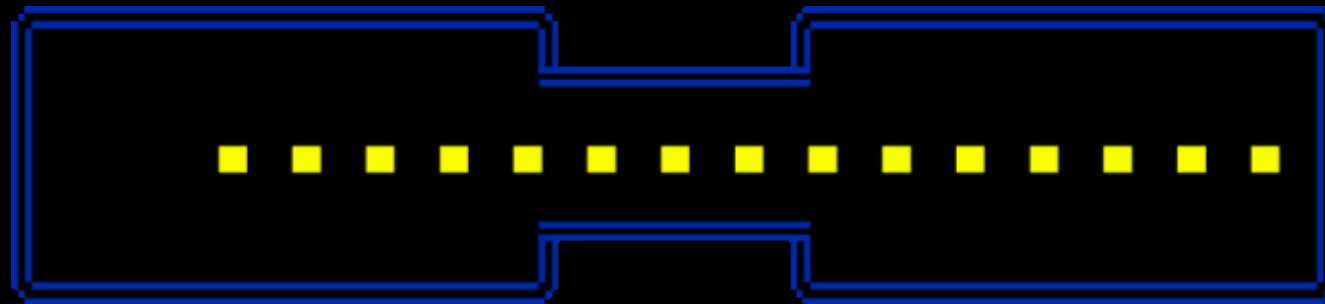
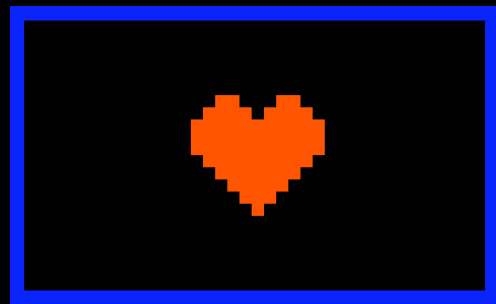


**DO NOT USE
CONTACT
INFORMATION
THEY GIVE YOU**



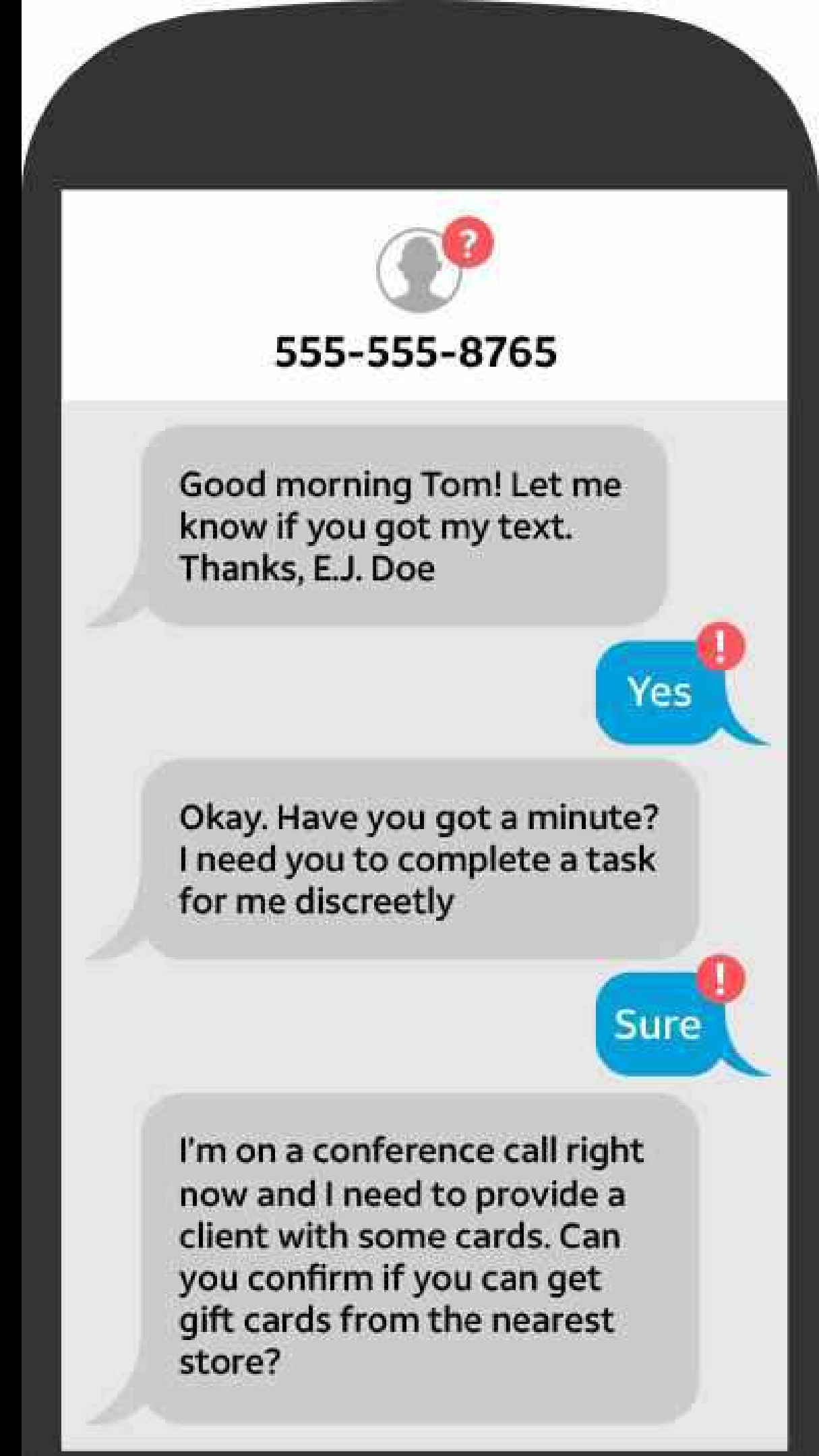
**DO NOT SEND
PICTURES OF
GIFT CARD
INFORMATION**





SPOT THE SCAM!

What is wrong with this text message?



**THIS IS
THE IRS**

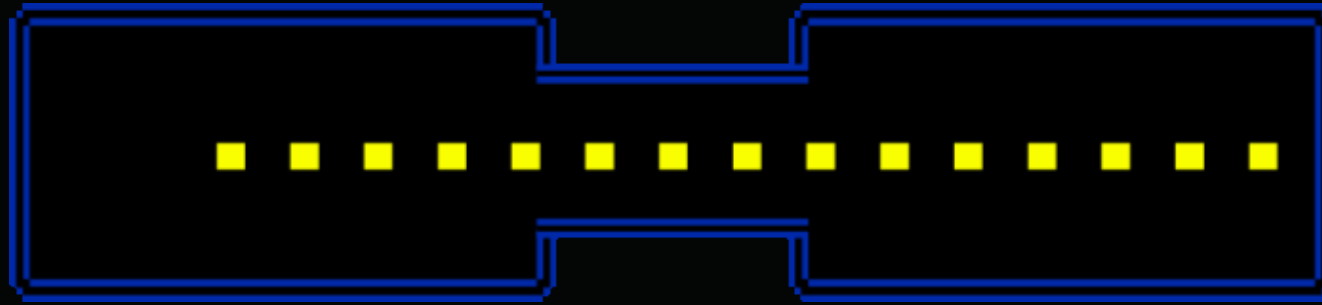


PHONE CALL SCAMS

1. Never pick up a phone call from an unknown number – hang up and obtain the official contact information
2. Never give out your personal information.
3. Government agencies do not accept gift cards as a form of payment

Recents

No Caller ID unknown	08:28	i
No Caller ID unknown	08:25	i
No Caller ID unknown	08:24	i
No Caller ID unknown	08:24	i
No Caller ID unknown	08:23	i
No Caller ID unknown	08:22	i
No Caller ID		



SPOT THE SCAM!

What is wrong with this text message?

From: account-alert@prime.support <mailapps-rm18kcpdpuf@romepemalas.com>

Sent: 18 October 2020 17:06

To: no-reply_14769320@web.appsupport.com <no-reply_14769320@web.appsupport.com>

Subject: Reminders: [Latest News Announcement] [Statement of Meeting Agreement] Informed Update - New Notification [#91849441] [FWD]

Amazon Reminds you About Something

amazon



**Your Amazon Account are on hold
due to a billing issue**

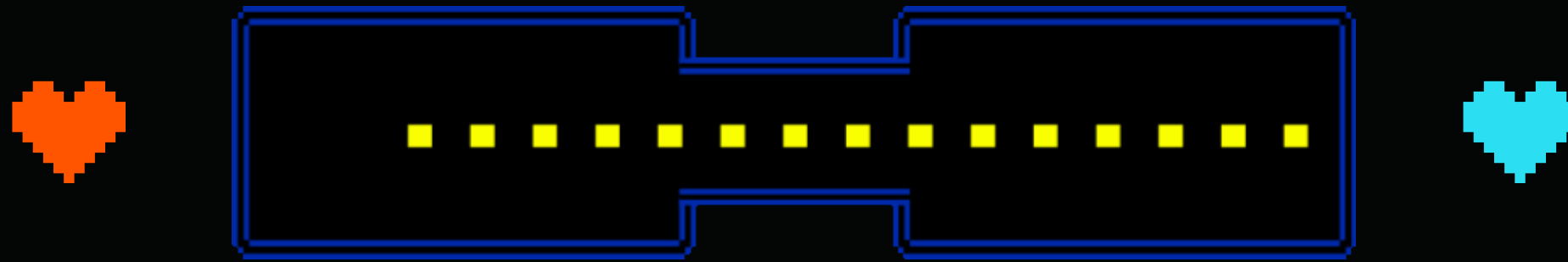
[Update Payment Information](#)

Due to a problem with your card, we have been unable to charge your payment.

If you don't update your card information in the next 24 hours, your Amazon account are on hold permanently. To continue using your account, please [visit this link](#) to log in to your account and update your payment information.

Thank you,

Amazon.com Customer Service



SPOT THE SCAM!

What is wrong with this text message?

1. The sender's email address IS not affiliated with the company and is suspicious.
2. Scammer creates an urgent situation
 - Your account is "locked"
 - Now it seems like you also cannot verify the details of the email.
3. Scammer creates a solution
 - gives you a link to follow to input personal information like bank card details

From: account-alert@prime.support <mailapps-rm18kcpdpuf@romepemalas.com>
Sent: 18 October 2020 17:06
To: no-reply_14769320@web.appsupport.com <no-reply_14769320@web.appsupport.com>
Subject: Reminders: [Latest News Announcement] [Statement of Meeting Agreement] Informed Update - New Notification [#91849441] [FWD]





**Your Amazon Account are on hold
due to a billing issue**

[Update Payment Information](#)

Due to a problem with your card, we have been unable to charge your payment.

If you don't update your card information in the next 24 hours, your Amazon account are on hold permanently. To continue using your account, please [visit this link](#) to log in to your account and update your payment information.

Thank you,

Amazon.com Customer Service

HOW TO REPORT GIFT CARD SCAMS?

I WAS JUST SCAMMED, CAN YOU HELP ME?

If you've been scammed you should:

1. File a police report with local law enforcement. and call your bank

2. Report the scam to the Federal Trade Commission (FTC)

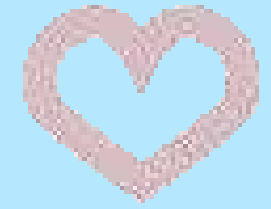
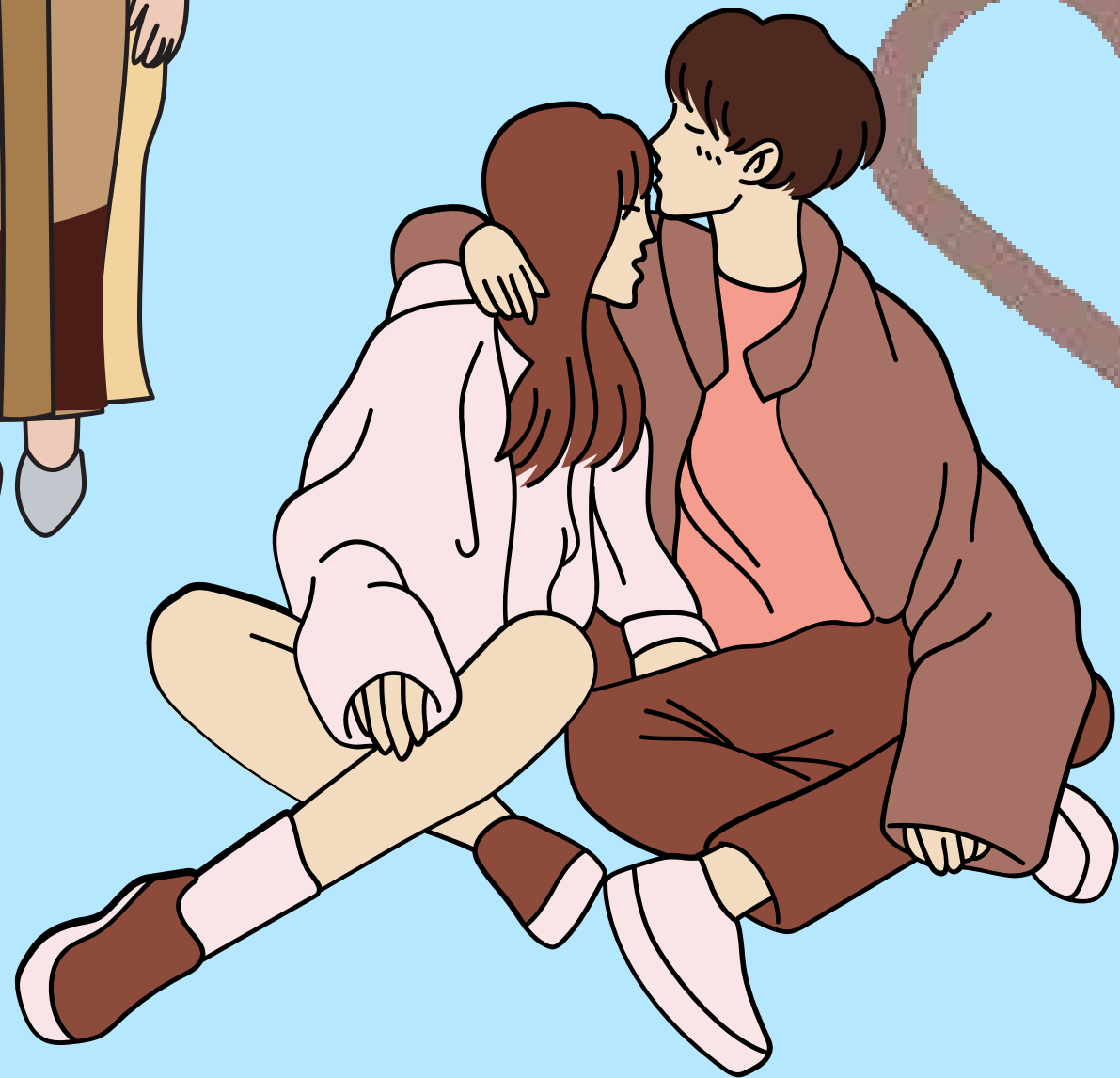
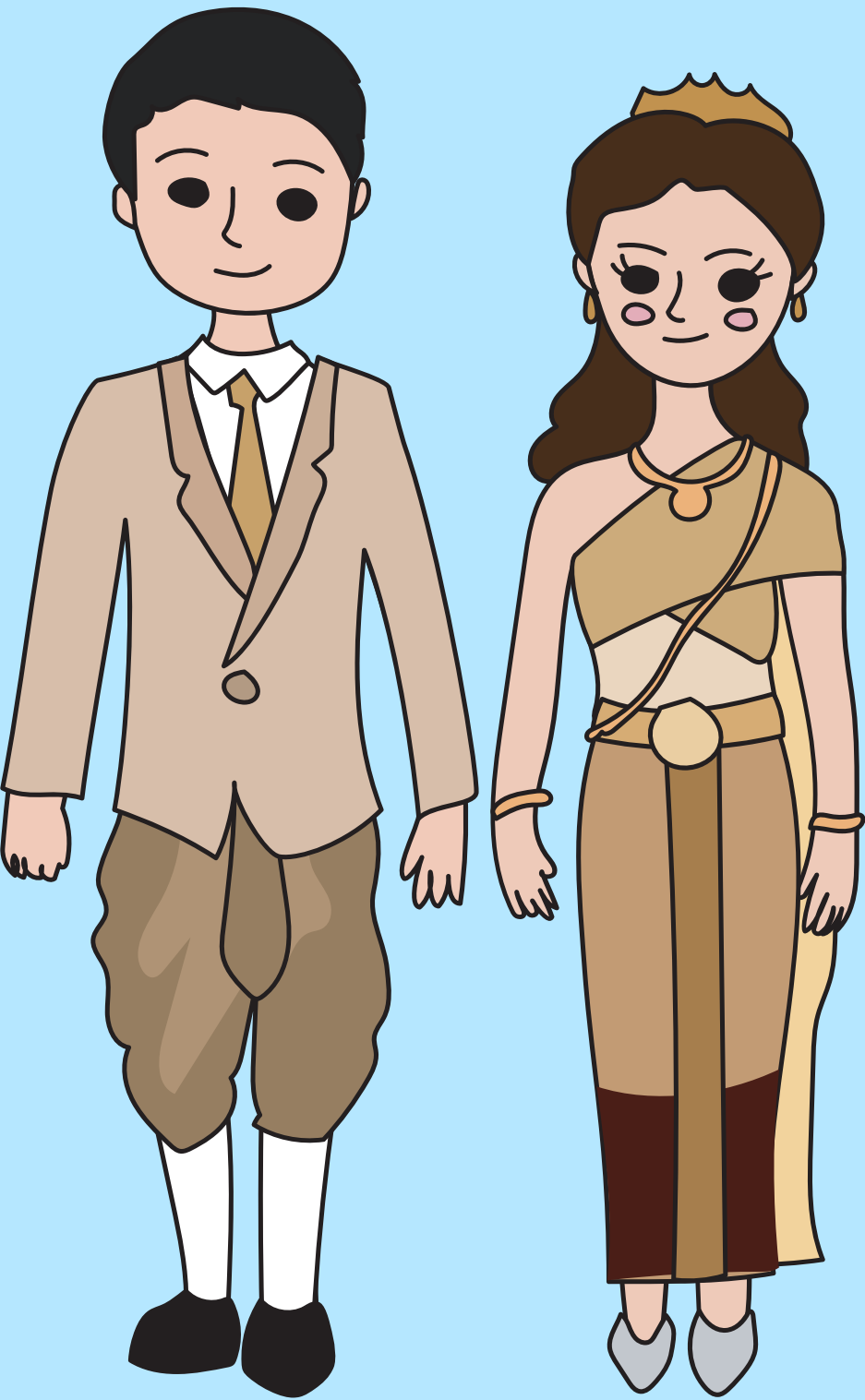
**3. Sign up for identity and credit monitor:
Experian; Equifax; TransUnion; OR
AnnualCreditReport.com.**

WOW! Thank You!!

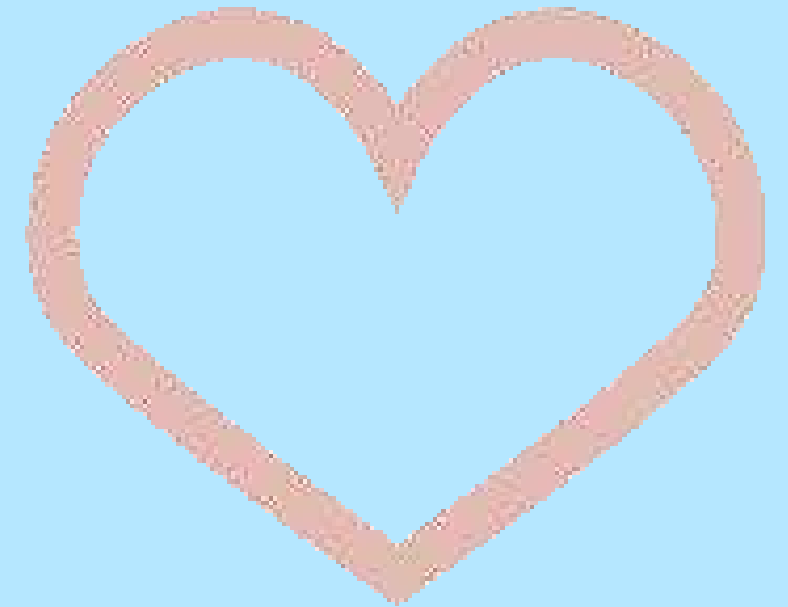
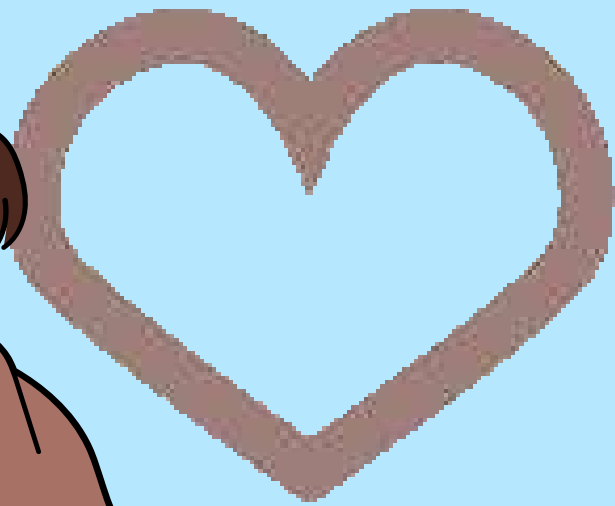


CONSUMER PROTECTION LAW AND HOW IT CAN HELP YOU





DATING SCAMS



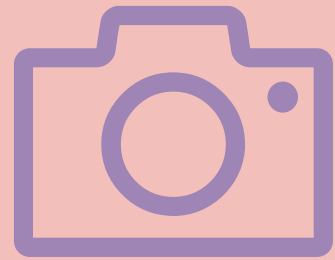
Romance scammers use fake identities and back stories to gain your trust.



What Is a Dating Scam and How to Spot one?

- Fake profiles
- Love-bombing
- Start asking for things.
 - \$\$\$, personal information, contact information, etc.
- Never meets you in person or refuses to appear on video

WHAT YOU CAN DO IF YOU BELIEVE YOUR ARE BEING SCAMMED:



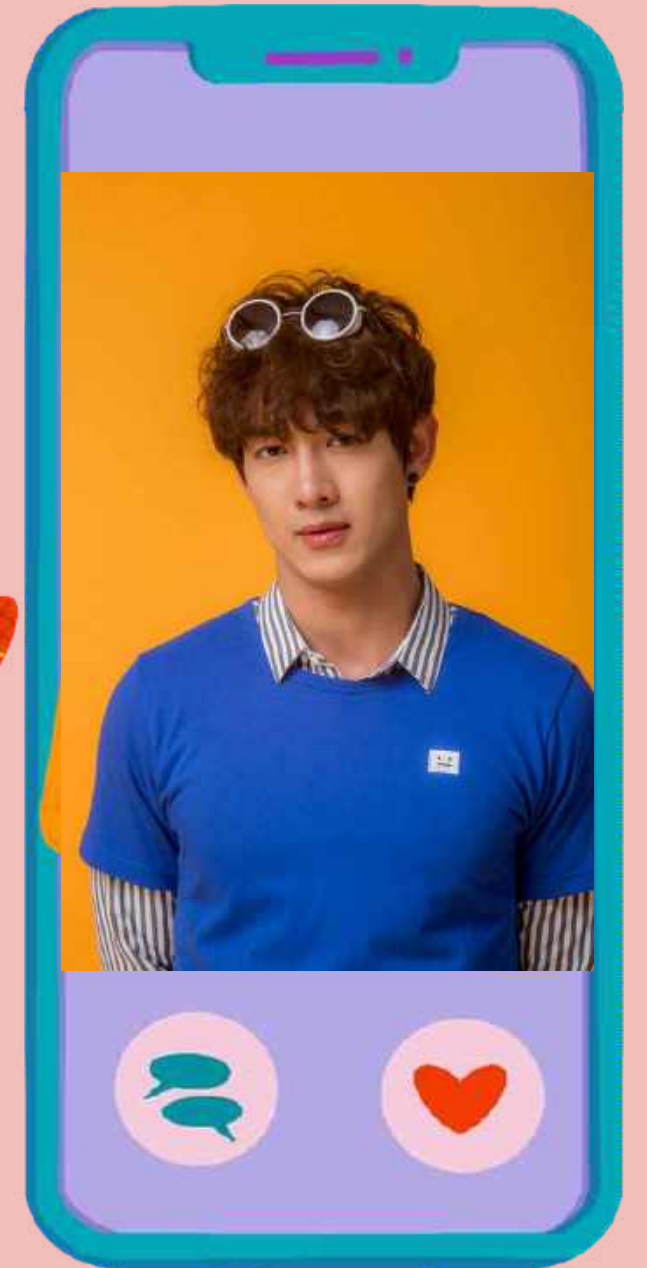
- Document your conversations.

- Google search the person.



- Never provide personal contact information .

- Never send money/gift cards to people you meet online



WHAT YOU CAN DO IF YOU HAVE BEEN SCAMMED:

- Submit a complaint
 - FBI's Internet Crime Complaint Center
- To Report Identity Theft
 - Federal Trade commission
 - Freeze your credit and sign up for alerts
 - Change your online passwords



SHOP NOW



SECTION 8 SCAMS

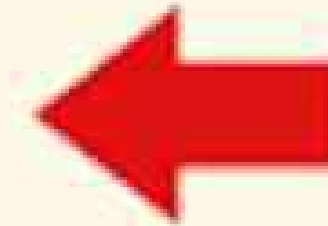
WHAT IS A SECTION 8 SCAM?

Ad related to seattle housing authority ⓘ

[Apply For Section 8 - Section 8 Housing Vouchers.](#)

www.housing-voucher.com/

Learn how to get Section 8 Online.



Scam site

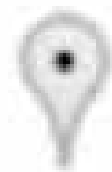
[Seattle Housing Authority - Rental housing and rental assistance for ...](#)

www.seattlehousing.org/ Share

Official SHA website

Seattle Housing Authority provides long-term rental housing and rental assistance to more than 26,000 people with low incomes. Learn more. We do not provide ...

[1 Google review - Write a review](#)



800 Jefferson St Seattle, WA 98104

(206) 223-5357

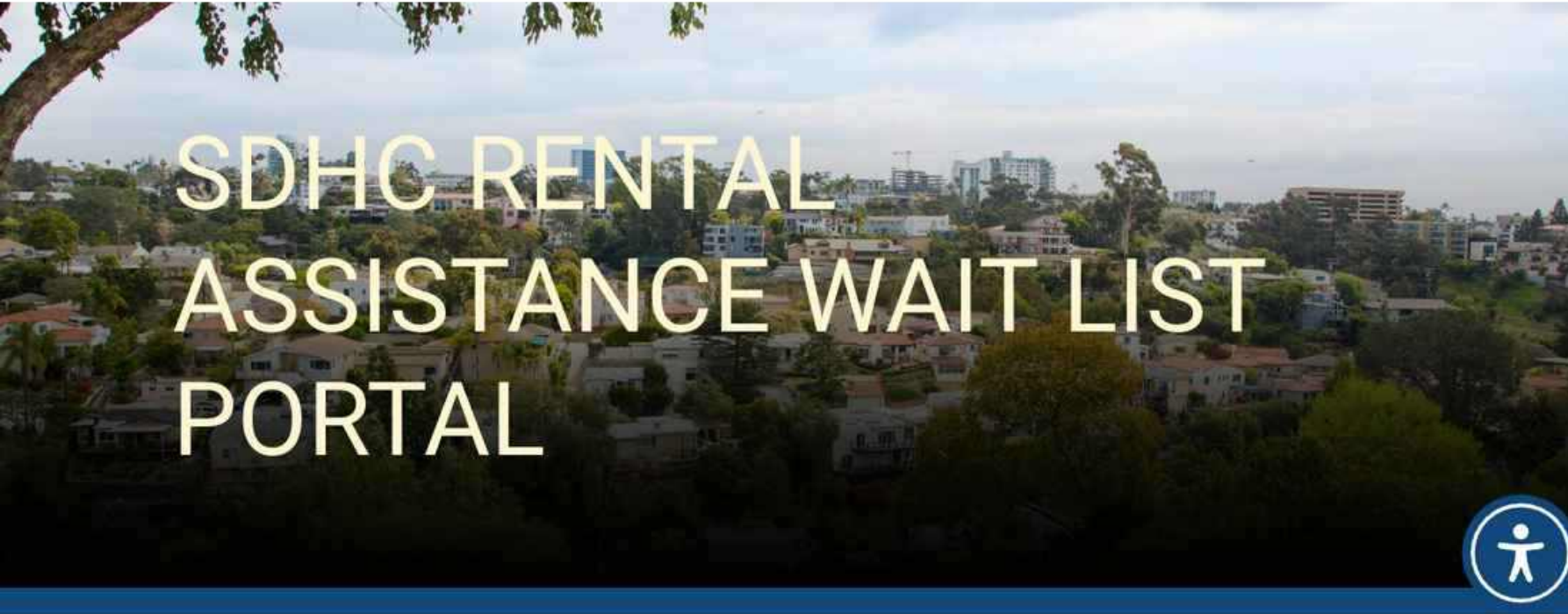
[Housing](#)

Seattle Housing Authority provides housing assistance to more ...

[Jobs](#)

Job Programs - Section 3
Employment - Open Enrollment





[Homepage](#) > [Housing Opportunities](#) > [Help With Your Rent](#) >
SDHC Rental Assistance Wait List Portal

SDHC WAIT LIST PORTAL

The San Diego Housing Commission (SDHC) has updated its Rental Assistance Wait List Portal and is currently updating its wait lists.

If you received an email and/or letter asking you to respond to the Wait List Update and "Save My Spot," please follow the actions below within 60 days of the date of your letter to remain on the Wait Lists.

Click on the "SDHC Wait List Portal" button for the following actions:

**THE OFFICIAL SD HOUSING
COMMUNITY RENTAL ASSISTANCE
WAITLIST PORTAL.**

←
REAL



 sdhc.org
<https://sdhc.org> > ... > [Help With Your Rent](#) ⋮

SDHC Rental Assistance Wait List Portal

SDHC WAIT LIST PORTAL. The San Diego Housing Commission (SDHC) has updated its Rental Assistance Wait List Portal and is currently updating its wait lists.

SCAMS!



 hausmann-service-logistic.de
<https://hausmann-service-logistic.de> > kvet > sdhc-waitlist ⋮

Sdhc Waitlist

Sdhc Waitlist. Sdhc Waitlist San Diego Housing Commission Portal. a Sdhc Waitlist Sdhc Waitlist How much it takes to get off a waitlist?. Sdhc Waitlist. SDHC ...

 kleberdesigns
<https://kleberdesigns.de> > koiq > mrhavi-apply-4-housing ⋮

Mrhavi Apply 4 Housing, The rental assistance is paid ...

Project Based Voucher Waiting List for Selected Properties. ... The San Diego Housing Commission (SDHC) has ... NYC Housing Connect is an online portal where you ...

 veganuesslich.de
<https://veganuesslich.de> > new > go-secton-8 ⋮

2024 Go secton 8 - The Housing Choice Voucher, formerly ...

... Assistance link located on the NY.gov login. ... Company. Section 8 House for rent in SAN FRANCISCO , California. ... Log on to Section 8 LLC Portal. Program Update ...

 lebekamin.click
<https://lebekamin.click> > blogs > gqqkjowkbd ⋮

2024 Section 8 housing list cincinnati of Rd, - lebekamin.click

9 hours ago — ... housing, affordable apartments, subsidized housing, Public Housing and Section 8 Housing Choice Voucher (HCV) waiting list information. We ...

**HOW A SECTION
8 VOUCHER
PROCESS
SHOULD LOOK:**

APPLY.

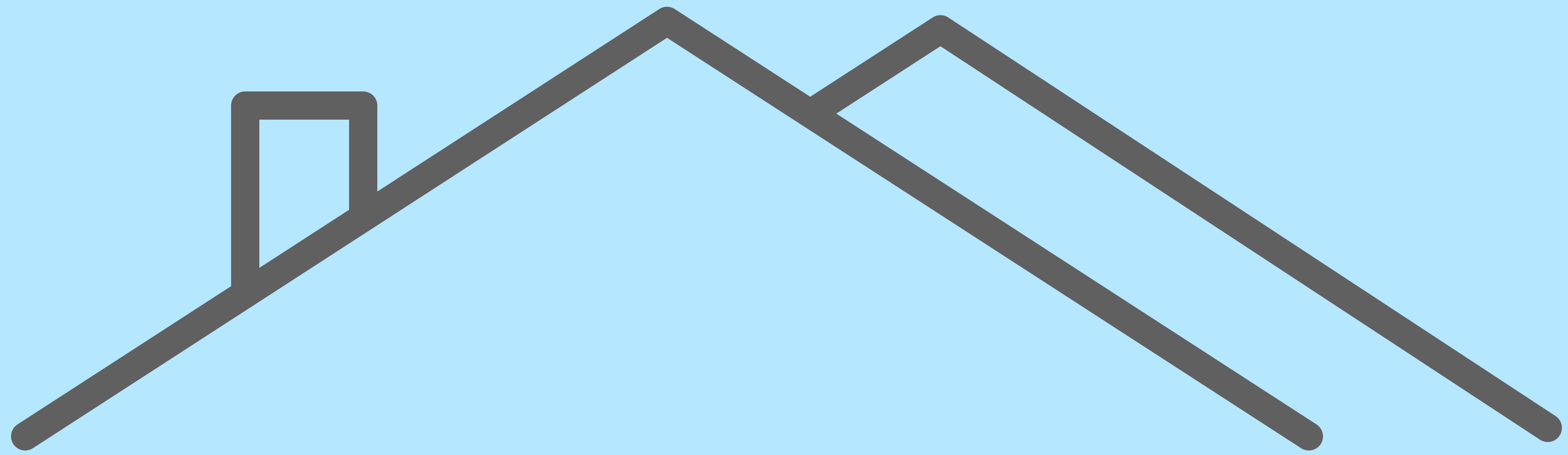
Complete the Rental Assistance Application. THERE IS **NO** FEE TO APPLY.

WAITLIST.

Visit SDHC Rental Assistance Waitlist Portal to check on your status.

VOUCHER.

Only apply and review listings from reputable sources.



HOW TO REPORT SECTION 8 SCAMS:

File complaint with Federal Trade Commission (FTC).



FEDERAL TRADE COMMISSION
CONSUMER ADVICE

File complaint with San Diego Housing Commission.



SAN DIEGO
HOUSING
COMMISSION

File a complaint with the U.S. Dept. of Housing & Urban Development (HUD).



U.S. Department of
Housing and Urban Development

File a complaint with the Better Business Bureau.



● **LEGAL RESOURCES:** ●

- **LEGAL AID SOCIETY – CONSUMER PROTECTION TEAM**



- **SAN DIEGO DISTRICT ATTORNEY – CONSUMER PROTECTION UNIT**

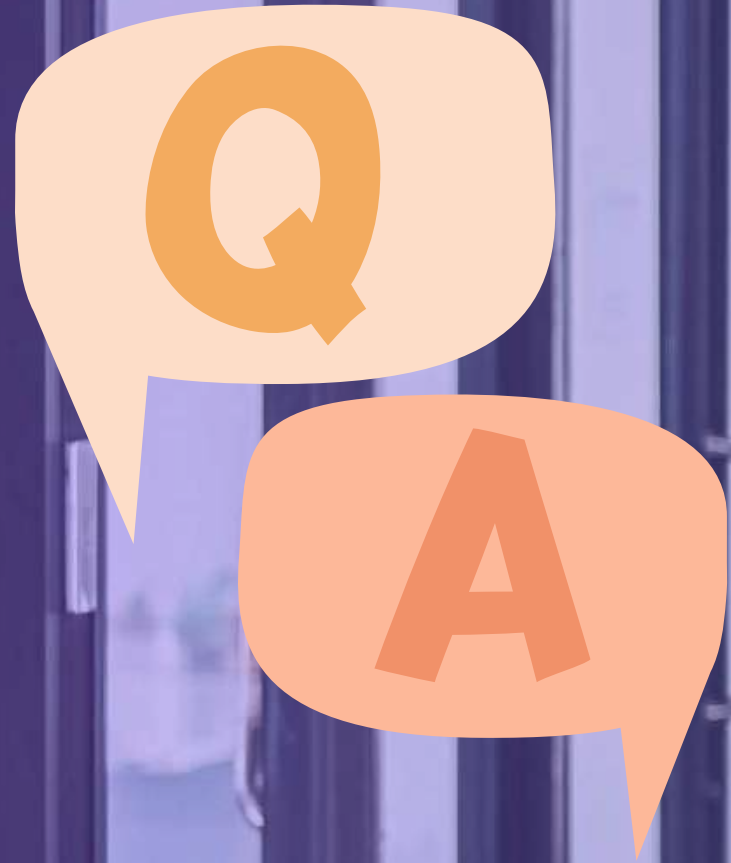
- **CALIFORNIA ATTORNEY GENERAL**



ROB BONTA
Attorney General



- **THE COMMUNITY LAW PROJECT**



Thank you!
Questions?

Consumer Protection Law

How Does California Protect Consumers?

- It is illegal to disclose your credit report without authorization
- It is illegal to make robocalls
- The California Consumer Privacy Act offers you legal protection when using the internet
- The California Translation Act requires that consumer contracts be translated - if a contract translation is not provided, the consumer is often permitted to cancel the contract

Deceptive Trade Practice Laws

California deceptive trade practice laws seek to prevent false claims, and fraudulent tactics from tricking a consumer into buying a particular product or service - remedies may be available in appropriate cases

Visit CLP

Clinic Locations and Times

Visit our website for the most up-to-date information

cwclp.org

City Heights - Rosa Parks Elementary School

- Alternating Fridays 8:45 a.m. to 10:45 a.m.

City Heights - Hoover High School

- Tuesdays from 11:45 a.m. to 1:45 p.m.

Downtown - First Lutheran Church

- Mondays from 5:30 p.m. to 7:30 p.m.

North Park - St. Luke's Church

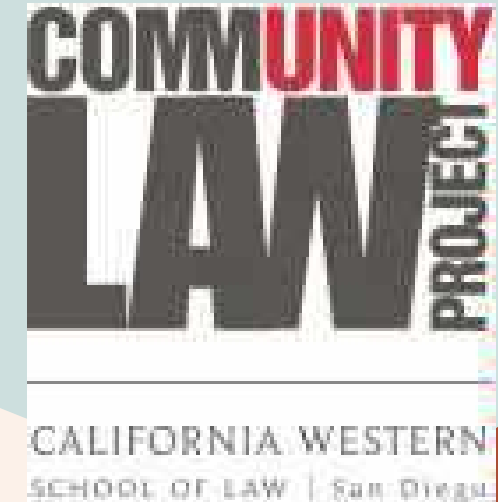
- Alternating Fridays 8:45 a.m. to 10:45 a.m.

Solana Beach - St. Leo's Mission Church

- One Wednesday a month from 5:30 p.m. to 7:30 p.m.



Karen Organization
of San Diego



Consumer Protection Law & Scams

Quick Tips

Gift Card Scams

- Remember, gift cards are for gifts, not payments
- If someone calls you claiming to be from a government agency or organization - **hang up** - government agencies will not call you to sort out an issue
- Never click links in an email or text when you do not know the sender
- If you accidentally give away personal information, call your credit card company immediately and freeze your accounts

Section 8 Housing Scams

- There is **no fee** to join the waitlist for Section 8 housing assistance

Romance Scams

- Never provide your personal information, financial information, phone number, or email
- If you try to video chat, do it over Zoom or Skype to protect your personal information
- Never send money or gift cards to people you meet online

Typical Scam Pattern

Gift Card Scams

1. Scammer contacts you pretending to be someone you know or trust
2. The scammer will create an urgent situation
3. To fix the situation, the scammer will say you need to buy gift cards

Romance Scams

1. Scammer will create a fake profile
2. Once you start talking to them, they will be quick to call it love
3. Scammer will start asking you for things like money, personal information, and financial information

Section 8 Housing Scams

1. Scammers will create fake Section 8 websites that look like a registration site and ask you for a fee and personal information
2. Scammers will list fake Section 8 properties and ask you to pay the first month's rent via wire transfer or prepaid card

Legal Resources

Legal Aid Society - Consumer Protection Team

San Diego District Attorney - Consumer Protection Unit

California Attorney General

The Community Law Project (CLP)

Who to Report to

Text, Email, Phone Scams

- Federal Trade Commission
- San Diego Police Department
- San Diego District Attorney

Section 8 Housing Scams

- San Diego Housing Commission
- U.S. Department of Housing and Urban Development
- Better Business Bureau



CONSUMER RIGHTS

COMMON SCAMS AND HOW TO AVOID THEM



los derechos



**WHAT ARE
CONSUMER
RIGHTS?**

**HOW CAN
YOU AVOID
SCAMS?**

**HOW ARE YOU
PROTECTED?**

**WHAT
SHOULD YOU
DO IF YOU
ARE
SCAMMED?**

**WHAT ARE
THE COMMON
SCAMS?**

**LOOK OUT
FOR LOTERIA
MATCHES!**





El consumidor



WHAT ARE CONSUMER RIGHTS?

Consumer = a person who purchases goods and services.

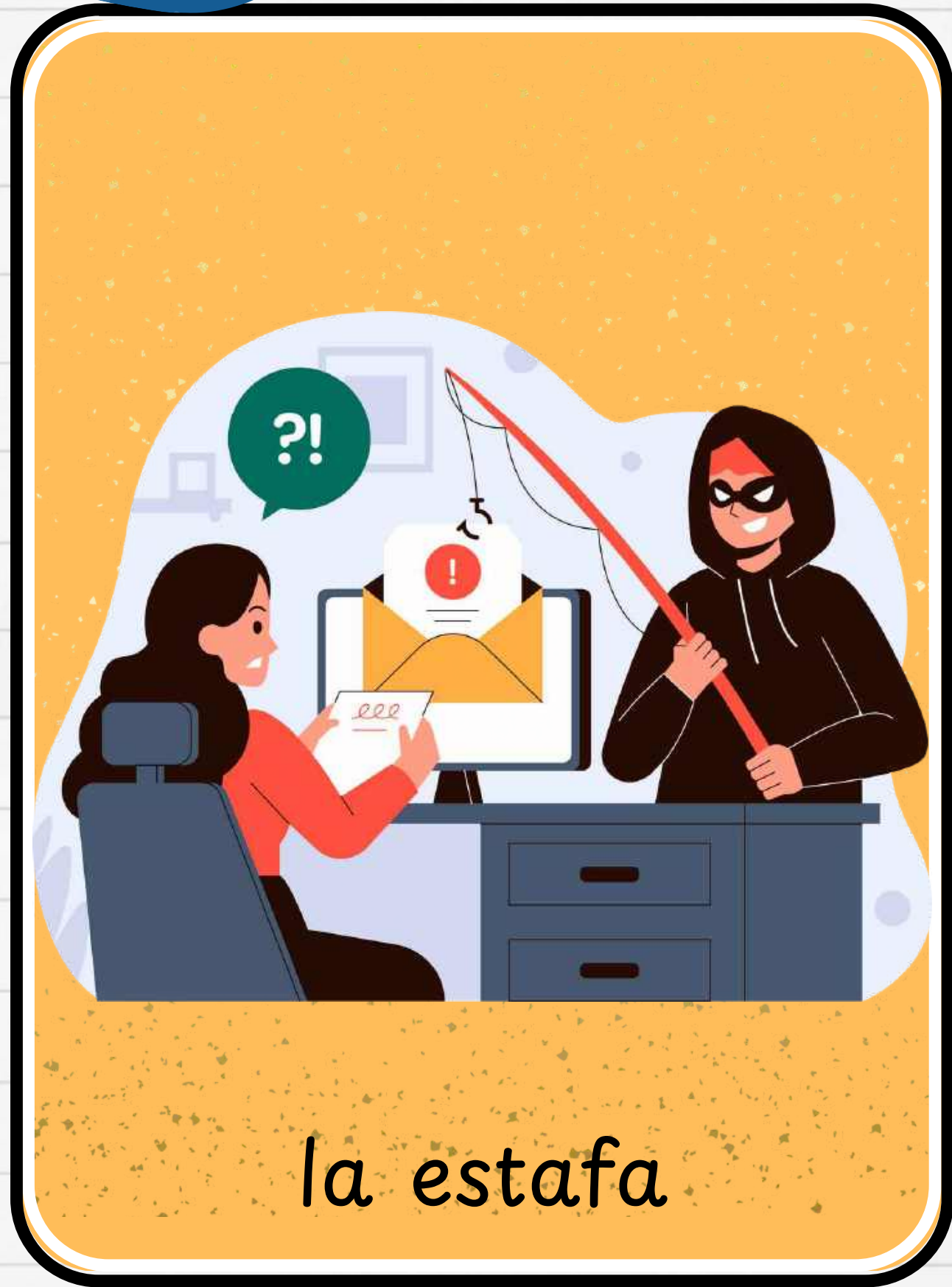
Consumer rights are the rights of consumers to be treated fairly and to have the information they need to make informed decisions.



HOW ARE YOU PROTECTED?

Consumer rights are protected by laws and protective bodies. There are many ways to report fraud and scams:

- **Federal Trade Commission**
- **Elder Justice Initiative**
- **San Diego County District Attorney's Office**
- **San Diego Police Department**
- **City Auditor's Fraud Hotline**
- **Better Business Bureau**



la estafa

6 COMMON SCAMS:

**ROMANCE
SCAMS**

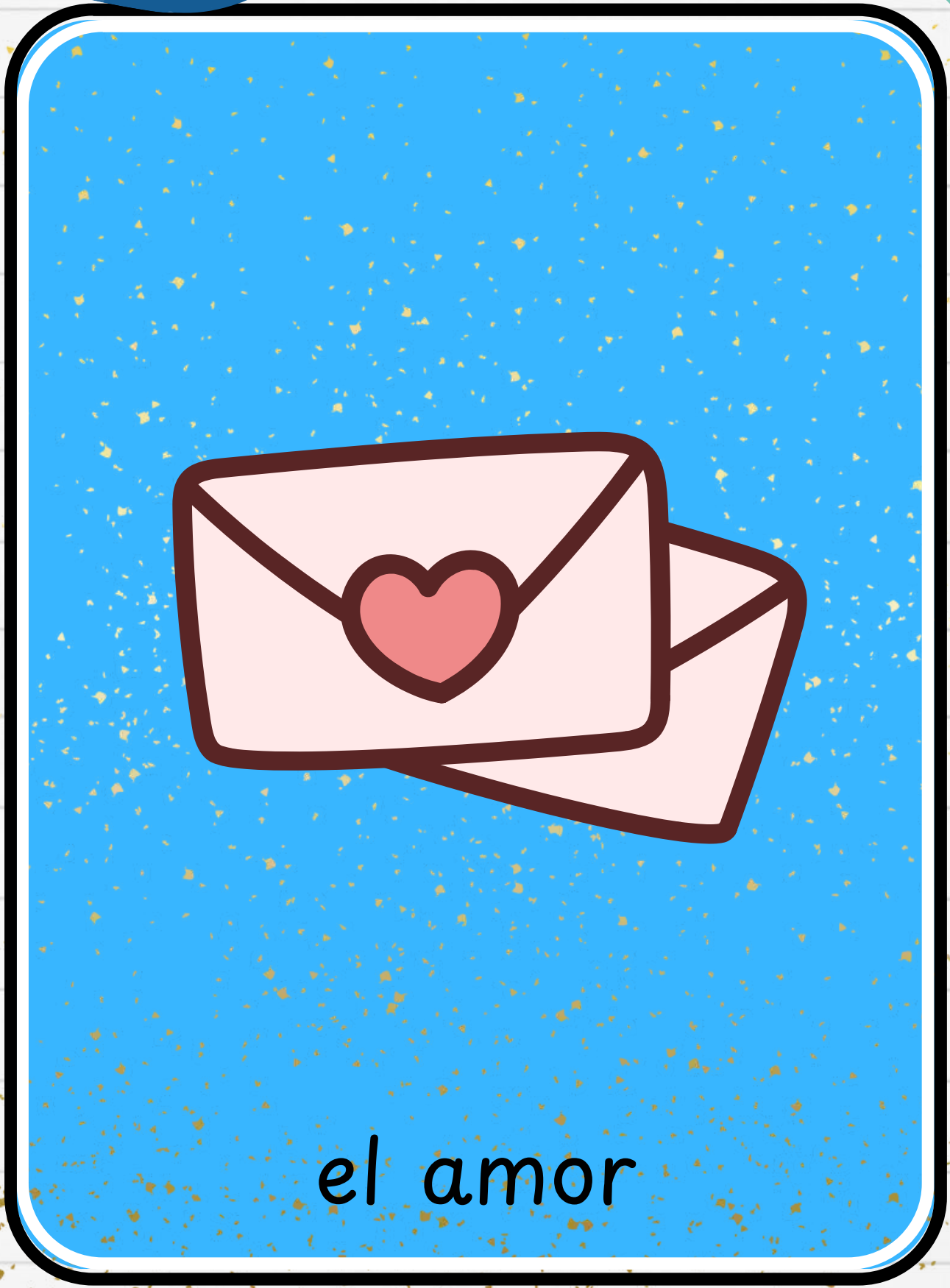
**GRANDPARENT
SCAMS**

ROBOCALLS

PHISHING

**GOVERNMENT
IMPERSONATION
SCAMS**

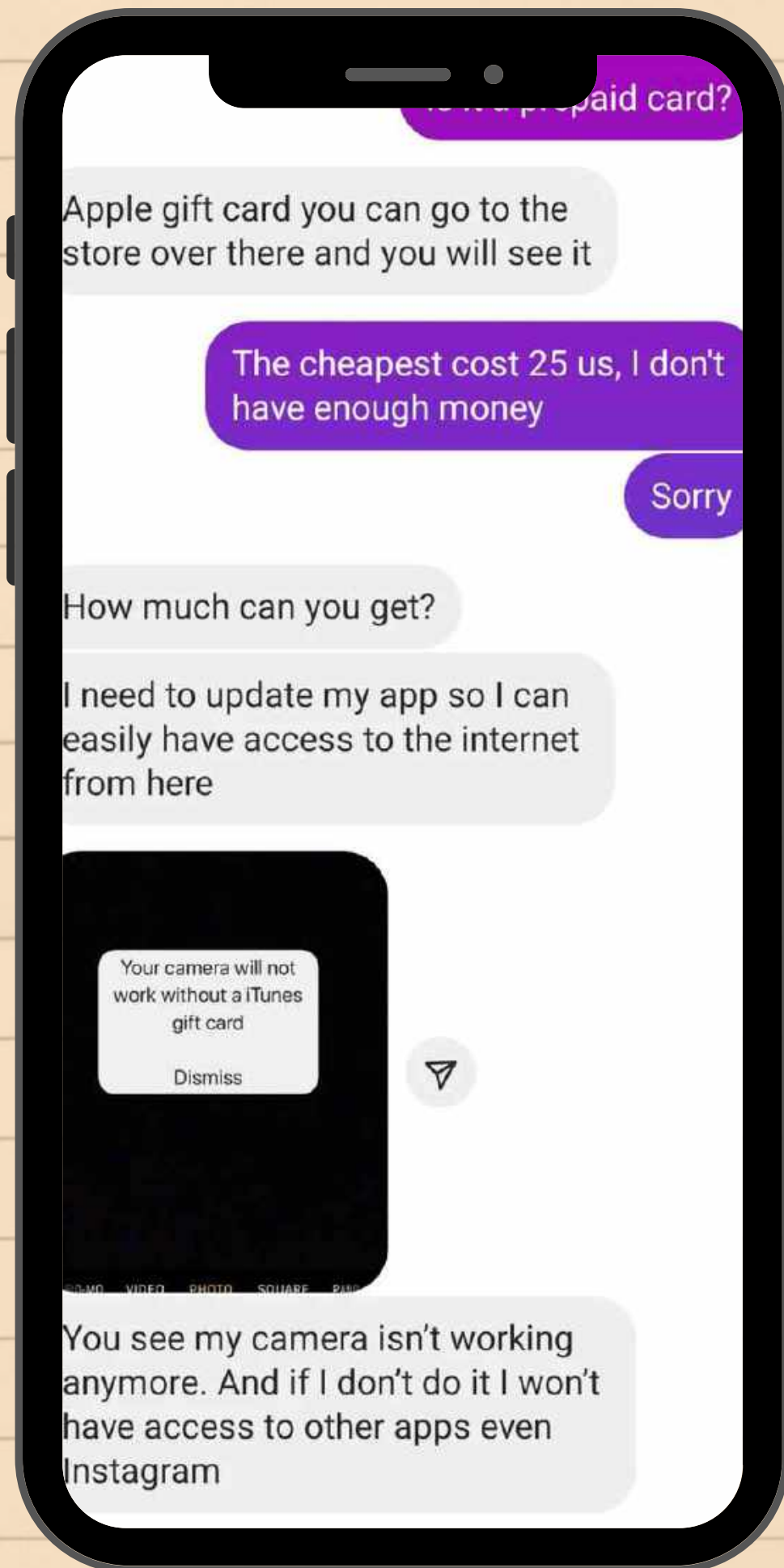
**SWEEPSTAKES,
CHARITY, AND LOTTERY
SCAMS**



ROMANCE SCAMS

- Quick relationship
- Can't meet in person
- Requests for money
- Requests to move off social media
- Poor spelling and grammar
- Urgent requests







los mayores



GRANDPARENT SCAMS

- The phone rings
- Caller claims to be a relative who needs help
- Often the caller claims to be a grandchild
- Caller will ask you to send money right away





FEDERAL TRADE
COMMISSION

A scammer could use
AI to clone the voice
of your loved one.

Learn more.

consumer.ftc.gov/consumer-alerts

Example of a Family Emergency Scam Call

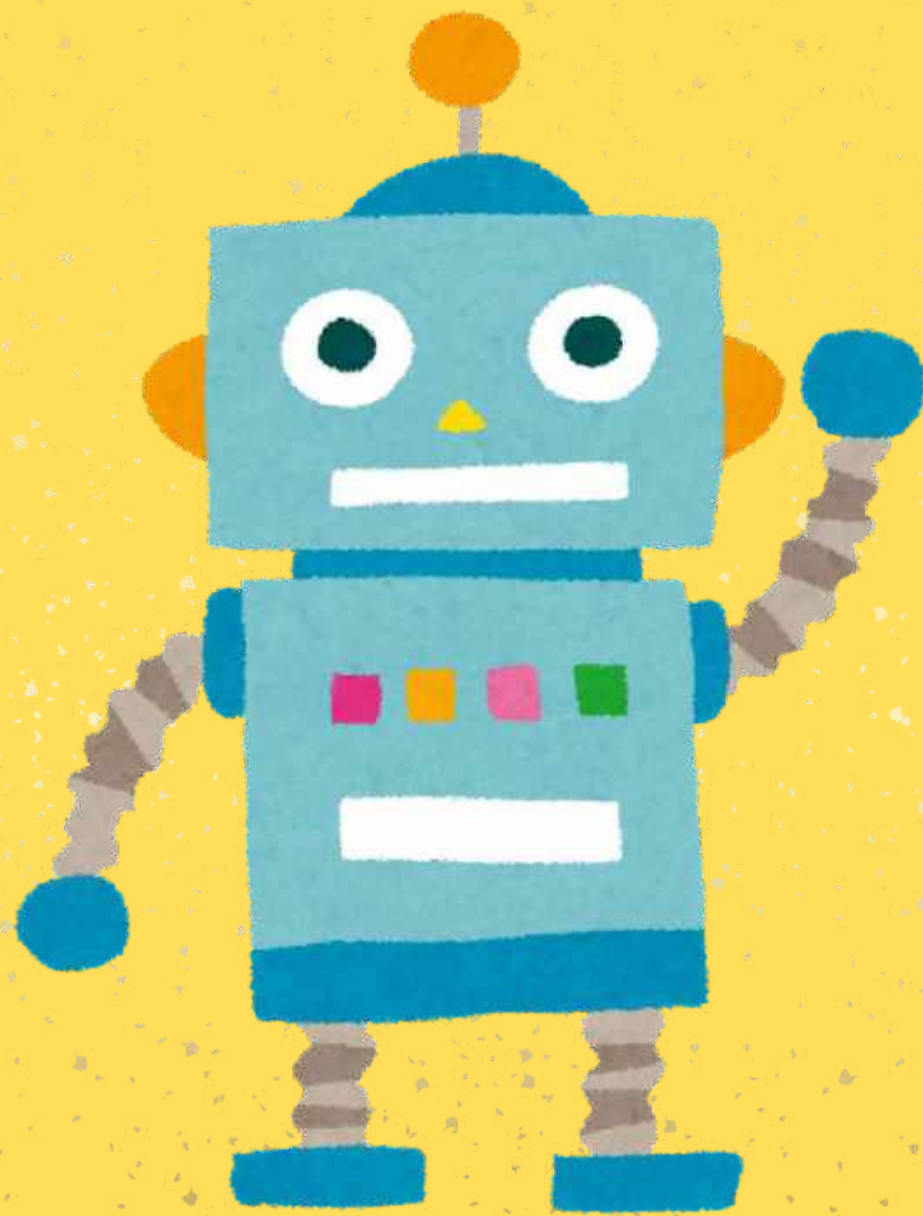
Hi Grandpa, it's me.

Sebastian? Is that you?

Yes, it's me, Sebastian. Grandpa, I'm in trouble, and I need money for bail.

What happened?

Please don't tell Mom or Dad. I'll get in so much trouble. Please help me!

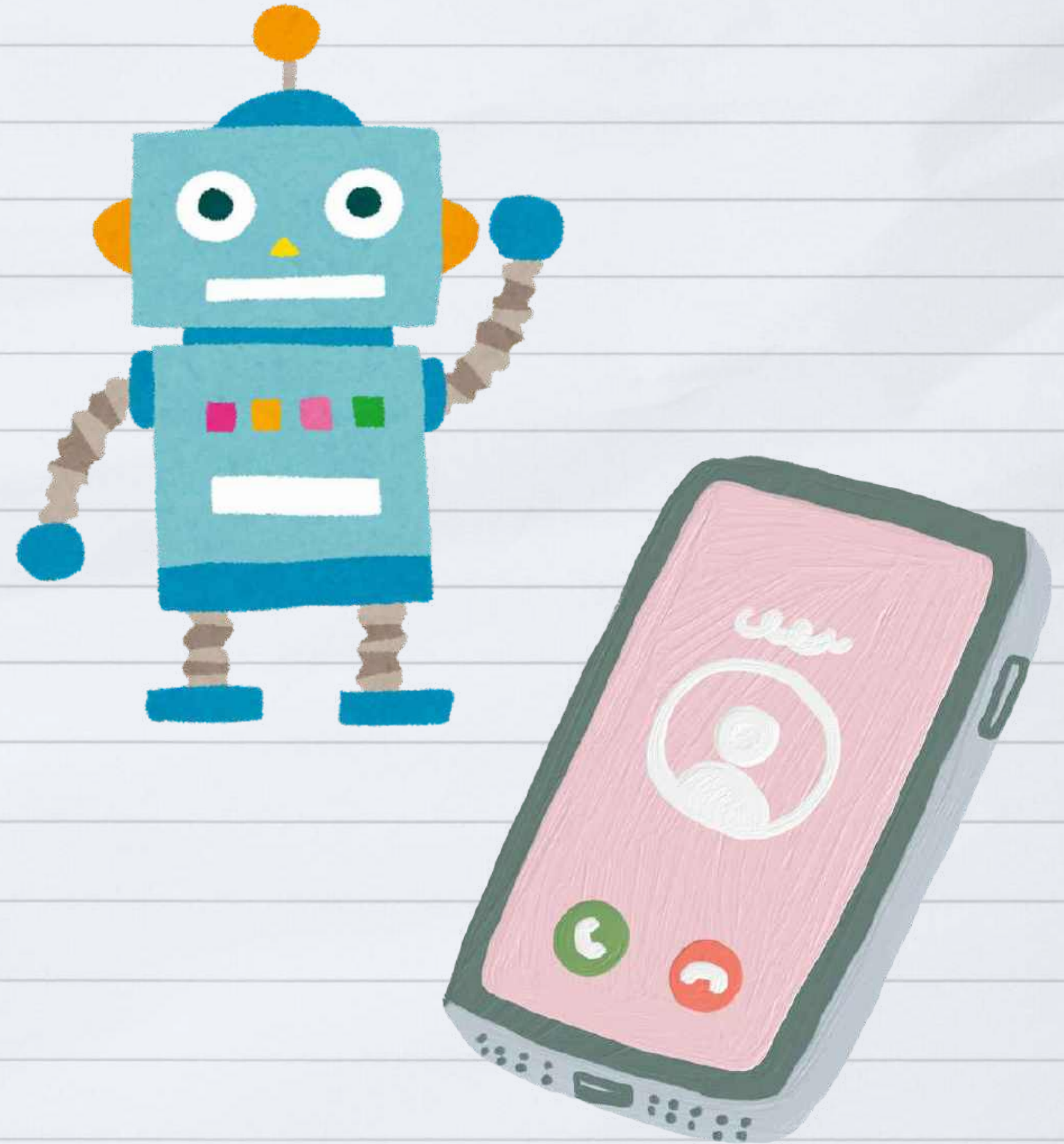


llamada de
robot



ROBO-CALLS

- Automated phone calls that deliver a recorded message
- Can appear as a trusted or familiar number
- Offers fake investment opportunities
- Claims you owe money to an organization



Types of Robocall Scams

Whenever you answer a robocall, there may be a different type of scam waiting for you on the other end. Let's take a look at 12 common robocall scams.



Loan scams



IRS tax scams



Spoofing scams



Travel scams



Google scams



Charity scams



Customer service scams



Free trial scams



Insurance scams



Location verification scams



Foreign language robocalls



Fake investment scams

How To Deal With a Robocall



Hang up immediately



Avoid saying the word "yes"



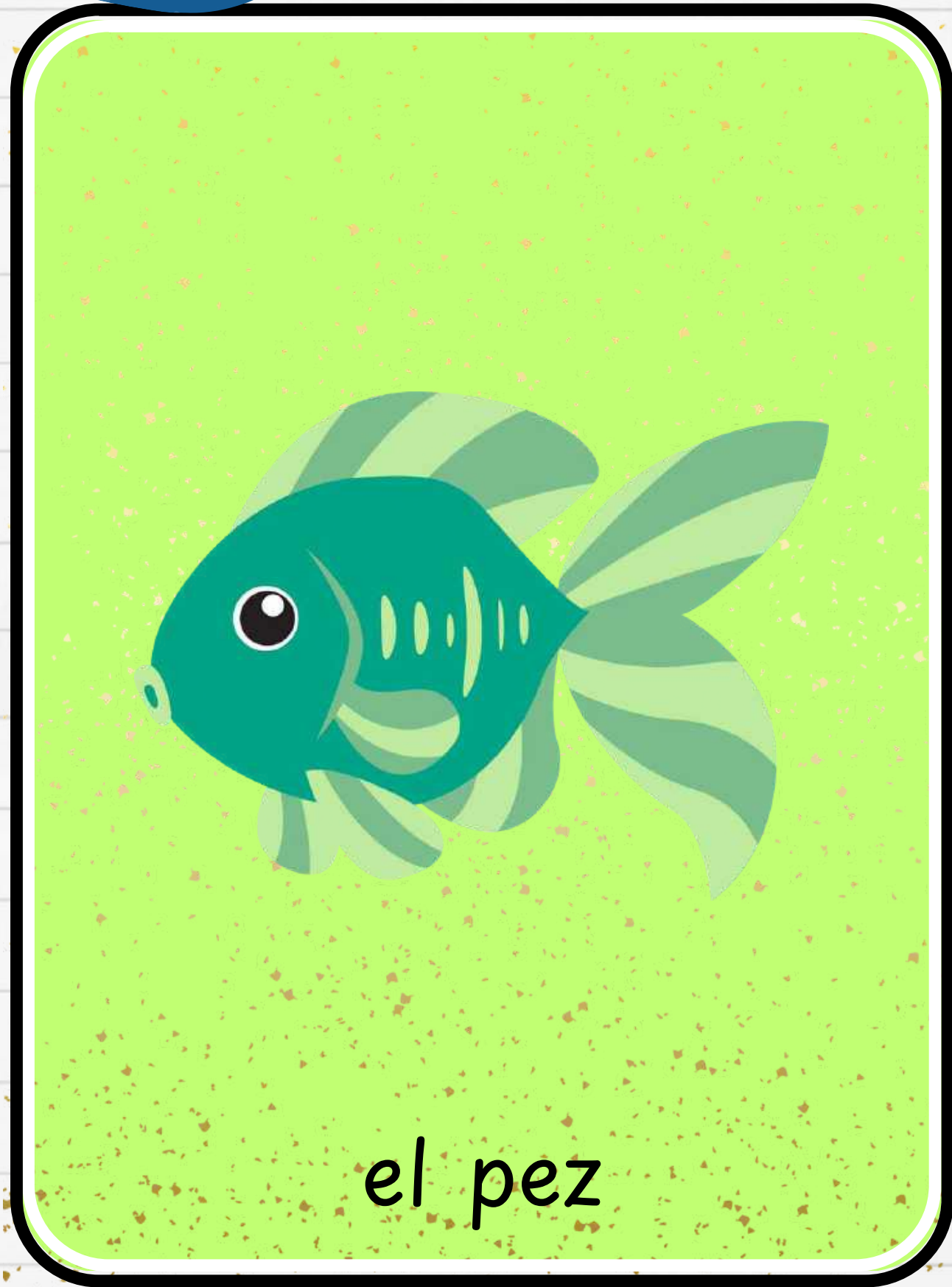
Ignore their instructions



Report the call



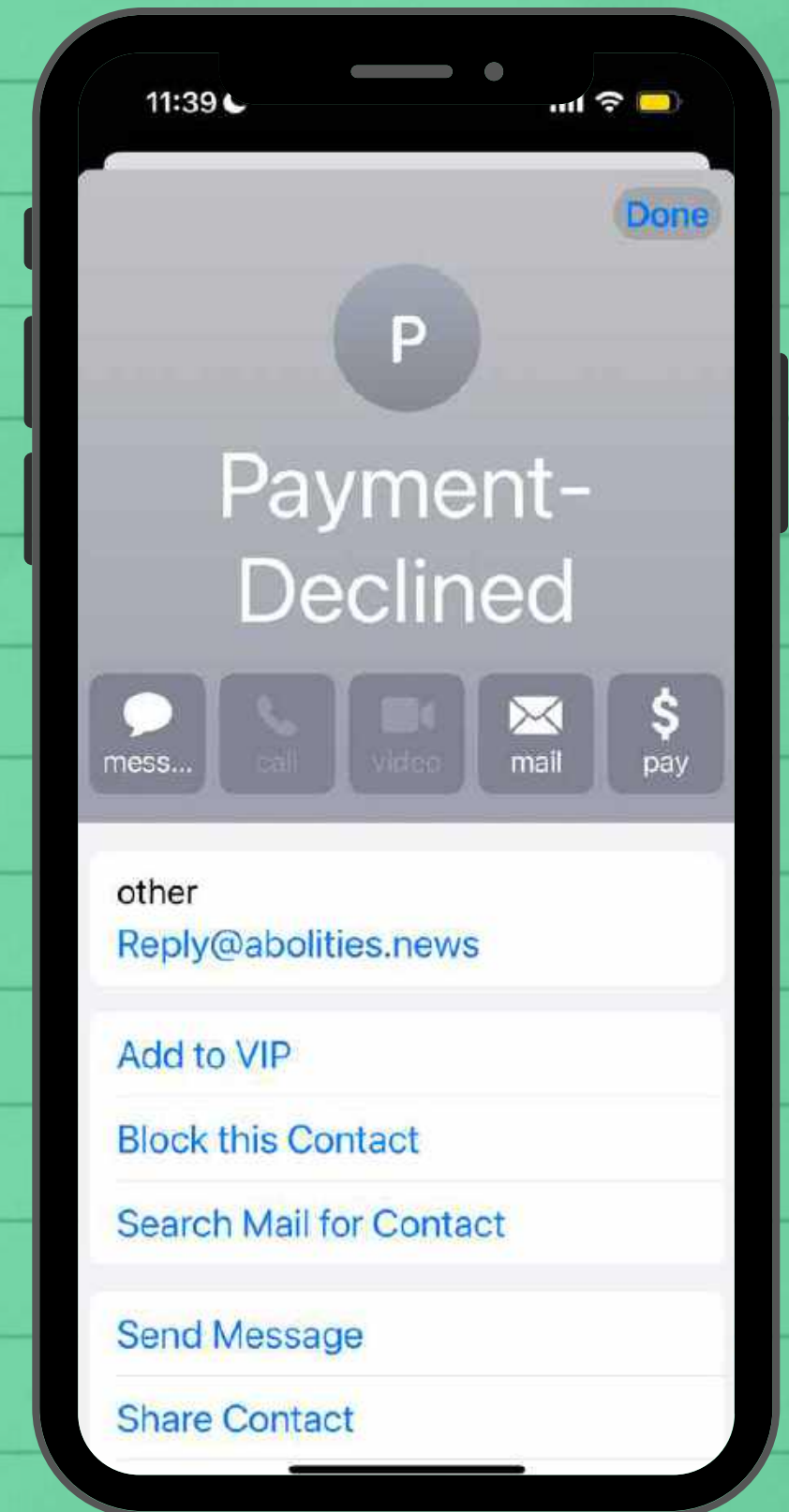
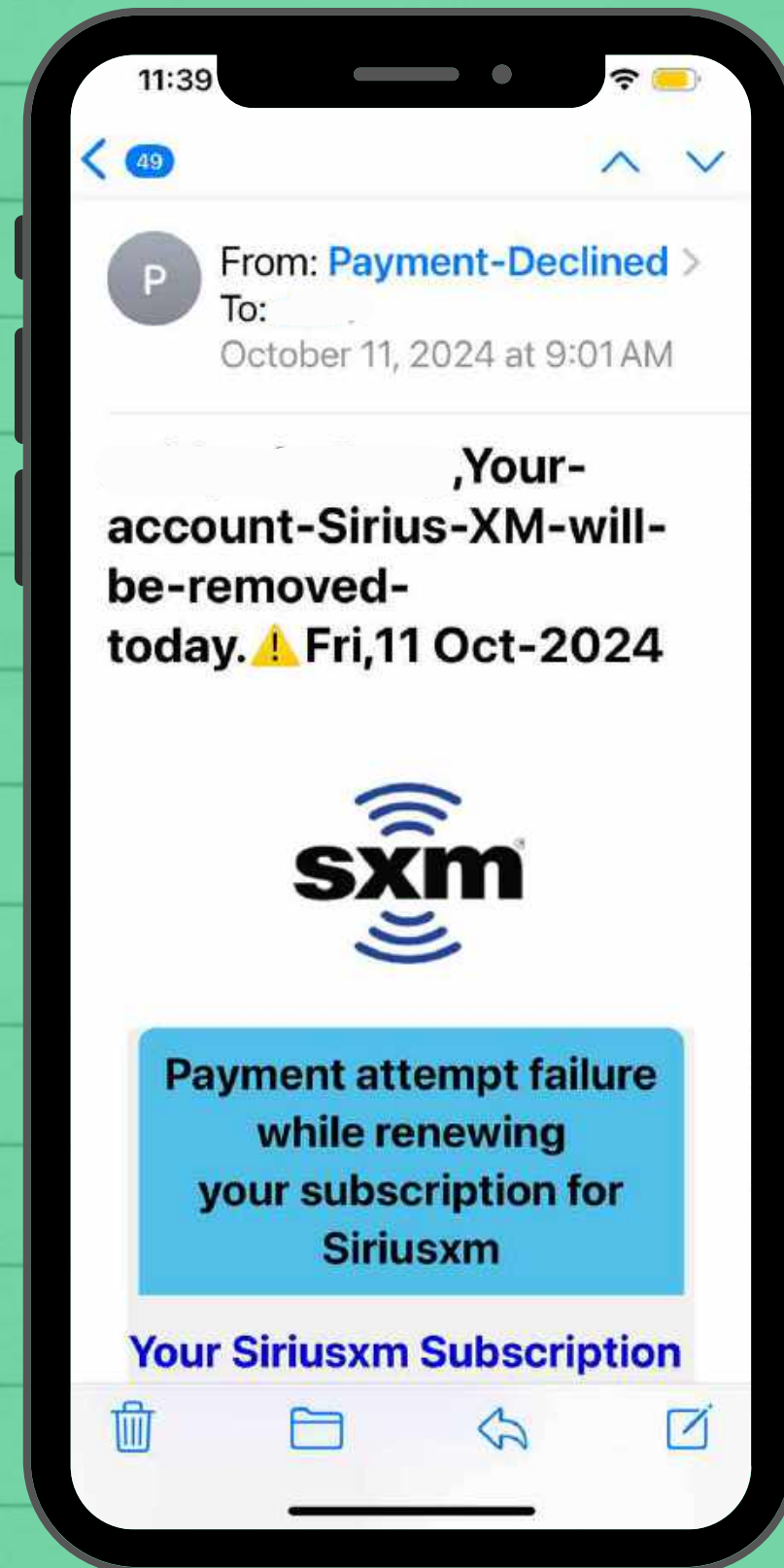
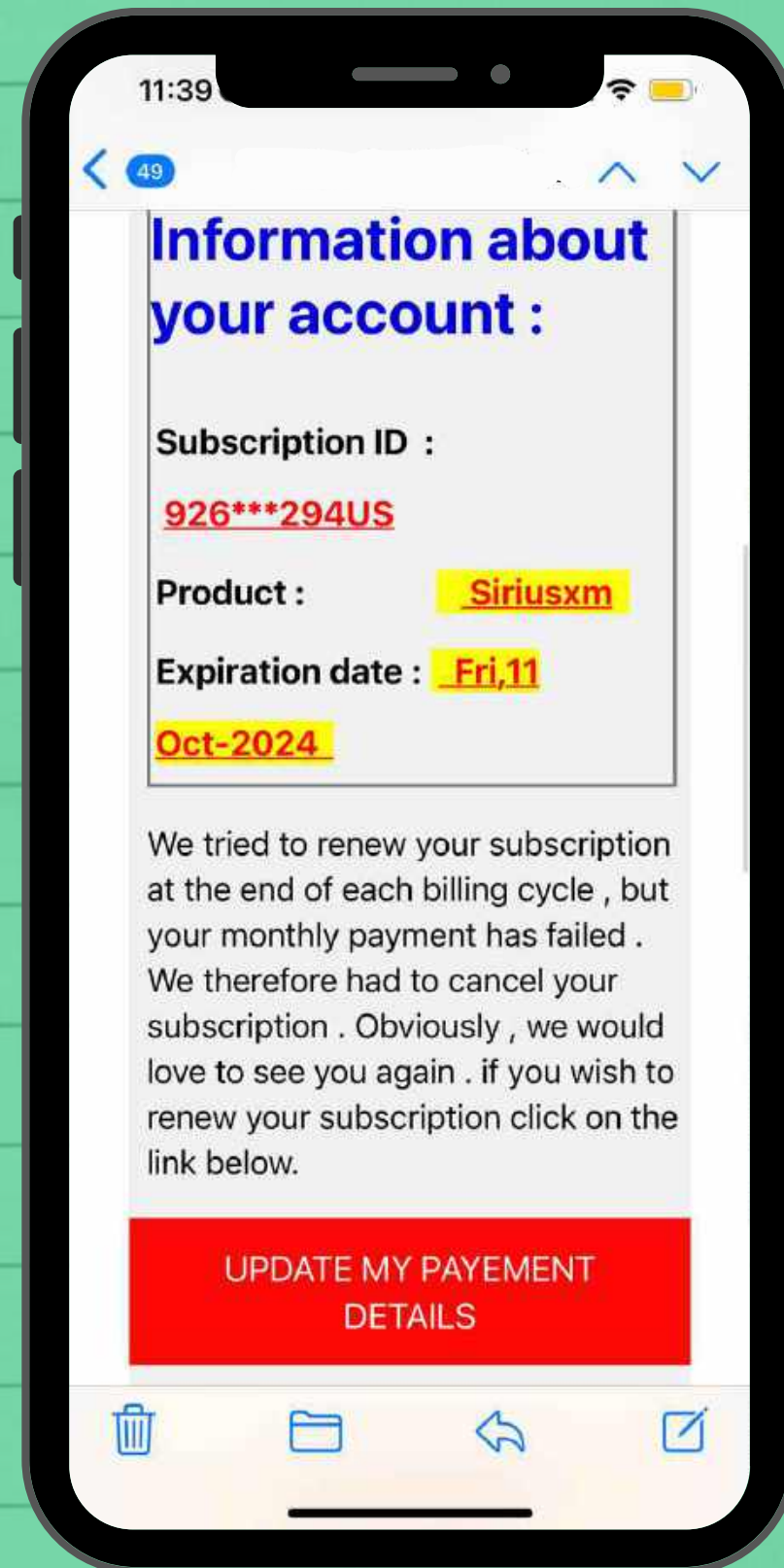
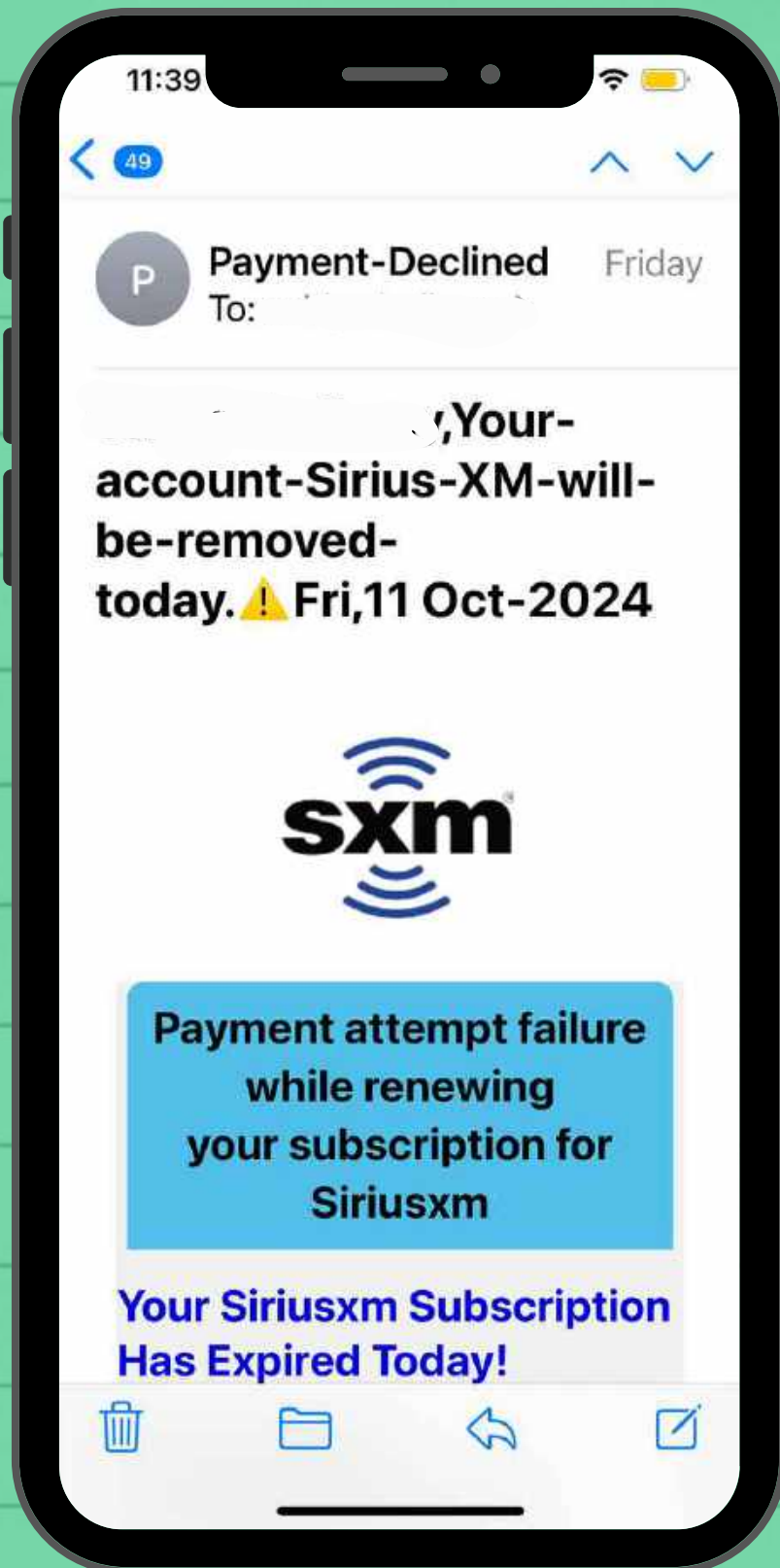
Be cautious

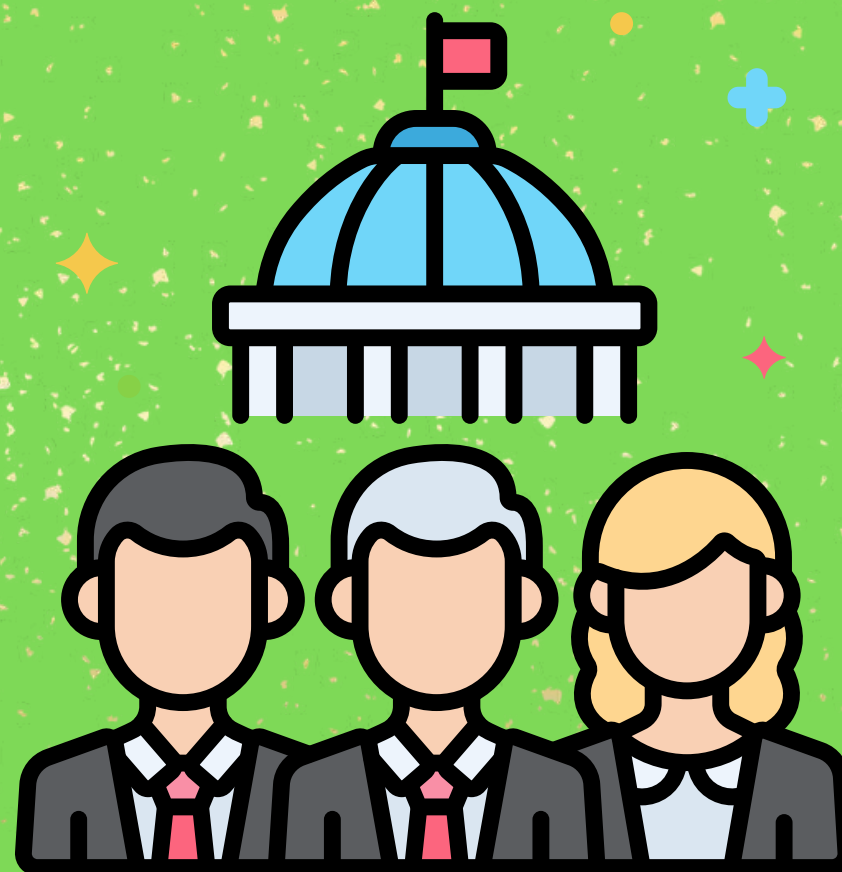


PHISHING

A phishing email is a **deceptive** email that **appears to be from a legitimate business or organization**, but is actually an **attempt to steal personal information or money**.







el gobierno



GOVERNMENT IMPERSONATION SCAMS

- Creates a sense of urgency
- Pressures victims
- Requests personal information
- Request payment
- Claim there's a problem



FEDERAL TRADE
COMMISSION

The FTC won't demand you pay

- ▶ by bank or wire transfer
- ▶ with cryptocurrency
- ▶ with gift cards



Only scammers do that.

Report impersonators at

[ReportFraud.ftc.gov](https://www.ftc.gov/report-fraud)





1 SSA logo is skewed

Social Security

Attention:

2 Spelling/grammar issues throughout

Due to the recent cyber attack on our Social Security Administrative database, we advice that all United State SSN holders should update their SSN details for safety and security purpose.

We need your help to complete this security update by re-updating your information online.

[CLICK HERE to proceed with your SSN Update](#)

3 Beware of this link—DO NOT CLICK

You will need to provide us with all information require.

Regards,

Social Security Administrator
United States of America



la loteria



SWEEPSTAKES, CHARITY, AND LOTTERY SCAMS

- They claim that the recipient has won, or is about to win, a large cash price.
- They will ask for money and personal information



January 24, 2015, from PMA

WACOB MIS. BREAMAN



CONGRATULATIONS!!

Your Email was selected in Powerball Lottery Draw with the sum of 1.5million dollars. Kindly send your Full Name, Address and Phone Number for claims.

Yours Sincerely
Mr. James Hodges
Head Of Operations

Back to Facebook 7:23 PM 12%

Recent

Mega Millions >
Active now



The grand prize?

Yes indeed you have been selected to receive \$ 2 Million dollars also a bonus prize of a Kitchen Aid Mixer, a 2016 Ford Focus an 5,000 dollars weekly for the rest of your life we would all like to say a big congratulations to you for Winning the Mega Millions 2015 Sweepstakes!!!!...



Type a message...





AVOIDING SCAMS: 5 WAYS TO PROTECT YOURSELF

**(1) ASK FRIENDS OR FAMILY MEMBERS
FOR ADVICE**

**(2) CONFIRM WHETHER A COMPANY OR
AGENCY TRYING TO REACH YOU IS
LEGITIMATE**

**(3) LOOK OUT FOR RED FLAGS: POOR
SPELLING/GRAMMAR; STRANGE-
LOOKING LINKS; REQUESTS FOR
PAYMENT**

(4) SLOW DOWN AND ASK QUESTIONS

**(5) ASK YOURSELF WHY YOU ARE BEING
ASKED TO SHARE PERSONAL
INFORMATION**



El remedio



WHAT TO DO IF YOU HAVE BEEN SCAMMED

(1) SECURE YOUR FINANCES

(2) CHANGE ACCOUNT PASSWORDS

(3) REPORT THE SCAM

PROTECT YOURSELF

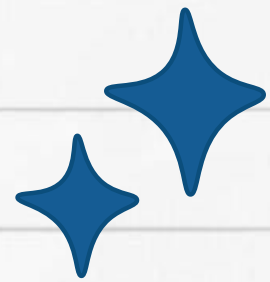
- Sign up for the "Do Not Call" list at 1-888-382-1222 or www.donotcall.gov
- Sign up for the "Opt Out Mailing" list at 1-888-567-8688 or visit www.optoutprescreen.com

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**THANK
YOU VERY
MUCH!**



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PERSONAL BANKRUPTCY: AN OVERVIEW

I. CHAPTER 7: "LIQUIDATION"

- A. Eligibility: Higher income clients may not qualify.

Income look back 6 months. Certain income sources are excluded (SS and VA disability). "Means test" applies if income is above the state median, with deductions for regional living expense allowance amounts.
- B. Purpose: "Discharge" of all eligible debts, aka "fresh start". Permanent injunction on collection of pre-bankruptcy debts.
- C. The "Trustee": appointed in a fiduciary role. Duties: 1) collect and liquidate "nonexempt" valuable property from the debtor and distribute funds to creditors pro rata; 2) examine the debtor under oath, review accuracy of case disclosures and supporting documents. Office of the U.S. Trustee, www.justice.gov/ust.
- D. What About My Assets? Client, "But I'm only filing bankruptcy to get rid of my debt - I don't want to include my assets!"
 - 1. Debtor must disclose all assets: All legal and equitable interests, tangible and intangible - claims, right to sue or receive money, inheritance, etc.

Includes community property if married.
 - 2. The Good News - Most debtors do not lose any assets - 85-90% of cases are "no asset", meaning nothing of value for trustee.

3. Debtor is entitled to keep various assets, "Exemptions" (Attached). In CA:
 - a. CCP §704 - big feature is the "homestead exemption".
 - Plus other types of personal property up to certain values (household goods, vehicle, clothing, jewelry, retirement accounts)
 - b. CCP §703(b): Big feature is "wildcard" exemption. Allows \$33,650 protection that can be applied to any type of property.
 - Plus other types of personal property up to certain values (household goods, vehicle, clothing, jewelry, retirement accounts)
4. Protecting Assets: Why are exemption claims important?
 - a. Chapter 7 bankruptcy trustee's role: asset collection/liquidation and distribution of proceeds to creditors. Sale must generate more than enough money to pay costs of sale, liens on the asset, any exemption claim of the debtor and the trustee's fee.

II. CHAPTER 13: "REORGANIZATION"

- A. Eligibility: Must have "regular income" and subject to debt limits: \$465,275 in unsecured debt and \$1,395,875 in secured debt.
- B. Purpose: Stop foreclosure and debt collection; pay creditors under a structured, court-supervised plan. Good for curing mortgage default or paying a car loan, or to pay debt that may not go away in Chapter 7, such as recent income taxes. No forced liquidation of assets. Monthly payments made to trustee who distributes to creditors. General unsecured debts may get 0% - 100%, depending.
 1. "Best Interest of Creditors" test: the plan must pay general unsecured creditors at least as much as a hypothetical Chapter 7 liquidation.
 - ** Valuable nonexempt assets will require high payout.

2. Duration: 3 - 5 year commitment period. "Discharge" is entered upon plan completion.

III. WHAT DEBTS GO AWAY IN A BANKRUPTCY?

- A. Broad Scope Of Discharge: Credit card debt, medical debt, loans, old rent, lease breach damages, car loan deficiency, debts incurred for business.
 1. Home mortgage & car loans: Secured debts. Liens will generally be unaffected by the bankruptcy. If debtor wants to keep, must maintain regular loan payments. Or, surrender the asset and discharge personal liability. The collateral lien creates *in rem* rights for creditor.
- B. Exceptions:
 1. Automatic: Recent income tax, family court ordered debts (alimony, child support, MSA-created debt), student loans unless "undue hardship", debts arising from intoxication, criminal restitution.
 2. Bad conduct, if proven: Intentional, tortious conduct - fraud, willful/malicious injury, embezzlement, theft or fraud while acting in a fiduciary capacity. Creditor must timely file and objection win.
 - Even "bad conduct" debts can go away if creditor is listed and does not challenge.

IV. WHAT CHAPTER SHOULD CLIENT FILE?

- A. Features of a good Chapter 7 candidate?
- B. Features of a good Chapter 13 candidate?

KEY DIFFERENCES BETWEEN CHAPTERS:

CHAPTER 7	CHAPTER 13
POSITIVE	POSITIVE
<ul style="list-style-type: none"> - 90 days to debt discharge - No future assets or income at risk, except inheritance or life insurance payout - Broad debt discharge - Credit score drop, but rapid credit rebuilding possible 	<ul style="list-style-type: none"> - Reinstate house or car loans and keep collateral - No asset liquidation by trustee - Force payment terms on creditors, no or partial payment to unsecured creditors - Broader discharge for certain family court ordered debts and taxes - Easy to dismiss
NEGATIVE	NEGATIVE
<ul style="list-style-type: none"> - Liquidation of valuable assets is likely - Some debts are not dischargeable - Unavailable if means test failed - Dismissal of case is difficult 	<ul style="list-style-type: none"> - 3-5 year commitment - Future income committed to the plan - Trustee oversight & budget constraints - Must have sufficient regular income

COMMON CLINIC CLIENT PROBLEMS & STRATEGIES

1. Clueless Client: They do not have a good handle on their debts - who they owe, how much, and how old. Often due to inattention or they moved around so they are not getting collection notices. They may have been sued, but aren't sure - "my roommate said someone dropped off paperwork for me but I don't know what happened to that" or maybe they are dodging service.

Tip: Have client obtain a credit report from www.creditkarma.com or <https://www.annualcreditreport.com>. It is impossible to advise unless you know what their debts are. For lawsuits, San Diego Superior Court party search index: www.sdcourt.ca.gov/. For income taxes, a "tax account transcript": www.irs.gov/individuals/get-transcript

2. Old Debt Client: incurred credit card debt years ago and has not made payments in years.

Tip: Get a credit report. When did Client last make a payment on each debt? This is the "default date". If default occurred more than four years ago, collection lawsuit may be time-barred (CCP §337 four-year statute of limitations). But, that does not bar collection efforts.

3. "Judgment Proof" Client: Client has no attachable assets or income, for example, a senior citizen renting and living on Social Security income.

Tip: Bankruptcy might not be necessary because Social Security cannot be garnished, nor levied in the bank account. Client has no attachable assets. But, that does not stop creditor collection and getting relief from the stress and peace of mind may still be the best path.

4. The “I Don’t Have Any Assets” Client: Clients are focused on debt problems. Many think of assets as big valuable items (stock, house) or only located in the U.S.
“Property” is defined broadly: tangible, intangible, contingent, unliquidated rights.
Tip: Inquire: ownership of any house or land anywhere in the world, any injury or right to sue anyone, right to potentially receive money, class actions, inheritance, divorce settlement, disability claim, tax refunds.
5. Client with Nondischargeable Debt: Student loan debt, child support arrears, criminal fines, recent tax debt.
Tip: Client will not be helped by Chapter 7; Chapter 13 must pay this type of debt in full so may not be feasible. Better options are to contact the creditor or government department and discuss a workout repayment plan. Client should be encouraged to be proactive.
6. Cagey Client: They have done their “own research”. They try to frame their case - “I have a simple, straightforward case” and “I pass the means test”. They are evasive or vague - “I’m on title real property in another state but no one needs to know that” or “how will ‘they’ know?” or “I transferred off ownership so we don’t need to talk about that ...” . They think attorney-client privilege prevents the attorney from disclosing certain facts in the bankruptcy documents.
Tip: Explain the client will affirm the accuracy of the bankruptcy documents and testify before the case trustee **under penalty of perjury**. Debtors do get prosecuted for the federal crime of bankruptcy fraud. The attorney must also certify that bankruptcy schedules are not incorrect - “I certify that I have no knowledge after inquiry that the information in the schedules filed with the petition is incorrect.” (BR 9011).

Best Case Bankruptcy California § 703 Exemption Statutes

Statute	Description / Property Types	Individual/Joint Limit
C.C.P. § 703.140(b)(1)	Homestead or burial plot (inflation-adjusted (2022)) Applies to: A 45	31,950 31,950
C.C.P. § 703.140(b)(1)	Homestead or burial plot (statutory (2023))	29,275 29,275
C.C.P. § 703.140(b)(2)	Motor vehicle Applies to: 25	7,500 7,500
C.C.P. § 703.140(b)(3)	Household goods & furnishings, appliances, wearing apparel, books, musical instruments, animals or crops. No Limit, but not to exceed \$800 in value in any particular item. (inflation-adjusted (2022)) Applies to: 4 5 6 31 32	
C.C.P. § 703.140(b)(3)	Household goods & furnishings, appliances, wearing apparel, books, musical instruments, animals or crops. No Limit, but not to exceed \$725 in value in any particular item. (statutory (2023))	
C.C.P. § 703.140(b)(4)	Jewelry (inflation-adjusted (2022)) Applies to: 7	1,900 1,900
C.C.P. § 703.140(b)(4)	Jewelry (statutory (2023))	1,750 1,750
C.C.P. § 703.140(b)(5)	Wildcard (aggregate interest in any property, not to exceed \$1,700 plus unused amount of homestead exemption (\$31,950)) (inflation-adjusted (2022)) Applies to: A 1 2 3 4 5 6 7 8 9 10 12 13 14 15 16 17 18 19 20 21 22 23 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 4	1,700 1,700
C.C.P. § 703.140(b)(5)	Wildcard (aggregate interest in any property, not to exceed \$1,550 plus unused amount of homestead exemption (\$29,275)) (statutory (2023))	1,550 1,550
C.C.P. § 703.140(b)(6)	Tools of trade, professional books (inflation-adjusted (2022)) Applies to: 5 28 29	9,525 9,525
C.C.P. § 703.140(b)(6)	Tools of trade, professional books (statutory (2023))	8,725 8,725
C.C.P. § 703.140(b)(7)	Life insurance - unmaturred: no specified limit Applies to: 20 Less Common: 9	
C.C.P. § 703.140(b)(8)	Life insurance - unmaturred - interest and dividends (inflation-adjusted (2022)) Applies to: 20 Less Common: 9	17,075 17,075
C.C.P. § 703.140(b)(8)	Life insurance - unmaturred - interest and dividends (statutory (2023))	15,650 15,650
C.C.P. § 703.140(b)(9)	Health aids, professionally prescribed Applies to: 35 36 37 38 39 40 41 42 43	
C.C.P. § 703.140(b)(9)	Vehicle converted for use by disabled debtor, spouse, or dependent Applies to: 25	
C.C.P. § 703.140(b)(10)(A)	Social Security, unemployment, pub. assistance-100% Less Common: 35 36 37 38 39 40 41 42 43	
C.C.P. § 703.140(b)(10)(B)	Veterans benefits:100% Less Common: 35 36 37 38 39 40 41 42 43	
C.C.P. § 703.140(b)(10)(C)	Disability, illness, unemployment benefits:100% Less Common: 35 36 37 38 39 40 41 42 43	
C.C.P. § 703.140(b)(10)(D)	Alimony, support, maintenance:amnt. reasonably necessary for support Applies to: 17	

Best Case Bankruptcy California § 703 Exemption Statutes

Statute	Description / Property Types	Individual/Joint Limit
C.C.P. § 703.140(b)(10)(E)	Pension, annuities, or similar plan payments: amnt. reasonably necessary for support Applies to: 10 12	
C.C.P. § 703.140(b)(10)(F)	Accrued or unused vacation pay or credits, sick or family leave, or wages Applies to: 35 36 37 38 39 40 41 42 43	7,500 7,500
C.C.P. § 703.140(b)(11)(A)	Crime victims' reparation benefits-100% Applies to: 21	
C.C.P. § 703.140(b)(11)(B)	Settlement agreement payments arising from debtor's employment: amnt. reasonably necessary for support Less Common: 18 35 36 37 38 39 40 41 42 43	
C.C.P. § 703.140(b)(11)(C)	Wrongful death payments: amnt. reasonably necessary for support Applies to: 21	
C.C.P. § 703.140(b)(11)(D)	Life insurance payments: amnt. reasonably necessary for support Applies to: 20 Less Common: 9	
C.C.P. § 703.140(b)(11)(E)	Personal bodily injury payments Applies to: 21	31,950 31,950
C.C.P. § 703.140(b)(11)(F)	Loss of future earnings payments: amnt. reasonably necessary for support Less Common: 35 36 37 38 39 40 41 42 43	
C.C.P. § 703.140(b)(12)	ScholarShare 529 college savings account Applies to: 11	
C.C.P. § 703.140(c)	Post-petition appreciation in homestead value Applies to: A 45	
C.C.P. § 695.060	Business or professional license Applies to: 23	

Please email help@bestcase.com with any corrections or additions.

Best Case Bankruptcy California § 704 Exemption Statutes

Statute	Description / Property Types	Individual/Joint Limit
C.C.P. § 704.010	Motor vehicles Applies to: 25	7,500 7,500
C.C.P. § 704.020	Household furnishings, appliances, provisions, wearing apparel, and personal effects Applies to: 4 6	
C.C.P. § 704.030	Residential building materials Applies to: 35 36 37 38 39 40 41 42 43	3,825 3,825
C.C.P. § 704.040	Jewelry, heirlooms and works of art Applies to: 5 7	9,525 9,525
C.C.P. § 704.050(a)	Health aids (all) Applies to: 35 36 37 38 39 40 41 42 43	
C.C.P. § 704.050(b)	Vehicle converted for use by disabled debtor, spouse, or dependent Applies to: 25	
C.C.P. § 704.060	Tools of trade (debtor)--amount of exemption for commercial motor vehicle limited to \$4,850 Applies to: 29	9,525 9,525
C.C.P. § 704.060	Tools of trade (debtor's spouse)--amount of exemption for commercial motor vehicle limited to \$4,850 Applies to: 29	9,525 9,525
C.C.P. § 704.060	Tools of trade used in debtor's and spouse's common trade, business, or profession (amount of exemption for commercial motor vehicle limited to \$9,700) Applies to: 29	19,050 19,050
C.C.P. § 704.070	Paid earnings (all or 75% of earnings received w/in 30 days before levy) Applies to: 2	
C.C.P. § 704.080	Public benefit payments (single payee, all if not commingled) Less Common: 2	1,900 1,900
C.C.P. § 704.080	Social security benefits (single payee, all if not commingled) Less Common: 2	3,825 3,825
C.C.P. § 704.080	Public benefits (joint payees, all if not commingled)	2,825 2,825
C.C.P. § 704.080	Social security benefits (joint payees, all if not commingled)	5,725 5,725
C.C.P. § 704.090	Inmate trust account Applies to: 19	1,900 3,800
C.C.P. § 704.090	Inmate trust account (restitution fine or order) Applies to: 19	325 650
C.C.P. § 704.100(a)	Unmatured life insurance policy Applies to: 9 10	
C.C.P. § 704.100(b)	Unmatured life insurance policy loan value Applies to: 20 Less Common: 9 10	15,250 30,500
C.C.P. § 704.100(c)	Matured life insurance benefits needed for support Applies to: 20 Less Common: 9 10	
C.C.P. § 704.105	ScholarShare 529 college savings account Applies to: 11	
C.C.P. § 704.110	Public retirement benefits (all) Less Common: 12	

Best Case Bankruptcy California § 704 Exemption Statutes

Statute	Description / Property Types	Individual/Joint Limit
C.C.P. § 704.111	Alimony, maintenance, and support, to the extent reasonably necessary Applies to: 35 36 37 38 39 40 41 42 43	
C.C.P. § 704.113(b)	Public employee accrued or unused vacation pay or credits, sick leave, or family leave Less Common: 35 36 37 38 39 40 41 42 43	7,500 15,000
C.C.P. § 704.115(a)(1) & (2), (b)	Private retirement plan and benefits (all) Applies to: 12	
C.C.P. §§ 704.115(a)(3), (b), (e)	Self employed retirement plans (Keogh, SEP-IRA, IRA, to the extent necessary for support) Applies to: 12	
C.C.P. § 704.120	Unemployment, disability, and strike benefits (all) Less Common: 35 36 37 38 39 40 41 42 43	
C.C.P. § 704.130	Private disability and health insurance benefits (all) Applies to: 9	
C.C.P. § 704.140	Personal injury causes of action, settlements, and awards Applies to: 21	
C.C.P. § 704.150	Wrongful death causes of action, settlements, and awards Applies to: 21	
C.C.P. § 704.160	Workers' compensation benefits (all) Applies to: 21	
C.C.P. § 704.170	Public aid benefits (all) Less Common: 35 36 37 38 39 40 41 42 43	
C.C.P. § 704.180	Relocation benefits (all) Less Common: 35 36 37 38 39 40 41 42 43	
C.C.P. § 704.190	Student financial aid Less Common: 35 36 37 38 39 40 41 42 43	
C.C.P. § 704.200	Cemetery and burial plots Less Common: A	
C.C.P. § 704.210	Property not subject to enforcement of money judgments (all)	
C.C.P. § 704.220	Deposit account funds Applies to: 2	2,170 4,340
C.C.P. § 704.225	Deposit account funds (extent necessary for support) Applies to: 2	
C.C.P. § 704.230	FEMA benefits Less Common: 2 35 36 37 38 39 40 41 42 43	
C.C.P. § 704.730	Automatic homestead (based on change of 3.1% in annual California CPI from prior fiscal year) Applies to: A	699,421 699,421
C.C.P. § 704.950	Declared homestead (based on change of 3.1% in annual California CPI from prior fiscal year) Applies to: A	699,421 699,421
Cal. Lab. Code § 404	Cash employment bonds (all) Applies to: 15	
Cal. Wel. & Inst. Code § 11002	Public aid Less Common: 35 36 37 38 39 40 41 42 43	

Please email help@bestcase.com with any corrections or additions.