



U.S. Trustee Program Annual Report Fiscal Year 2021



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ABOUT THE U.S. TRUSTEE PROGRAM

MISSION AND RESPONSIBILITIES

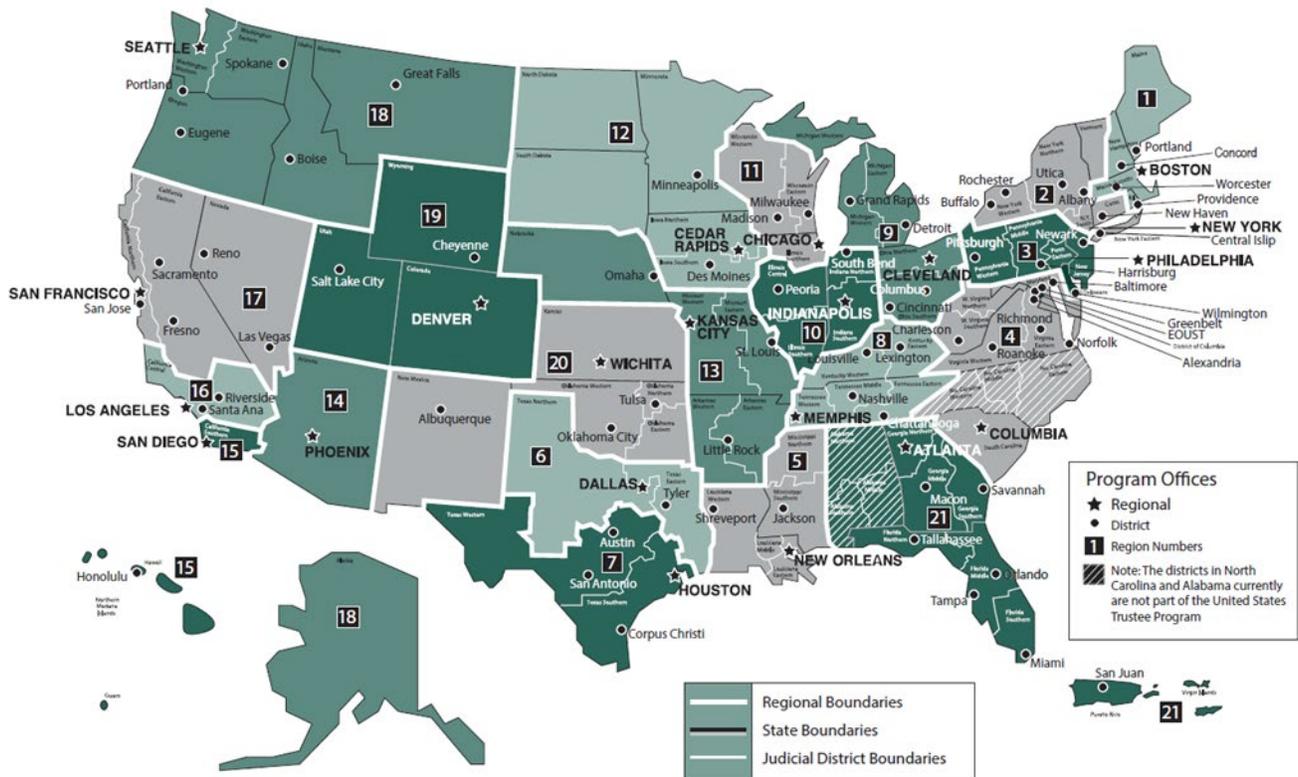
The U.S. Trustee Program (USTP or Program) is a litigating component of the Department of Justice (DOJ) whose mission is to promote the integrity and efficiency of the bankruptcy system for the benefit of all relevant stakeholders—debtors, creditors, and the American public. The Program has standing to participate in every individual and business bankruptcy case in the 88 federal judicial districts under its jurisdiction.¹

Often described as the “watchdog of the bankruptcy system,” the USTP is charged with ensuring compliance with bankruptcy laws and balancing the legitimate interests of all parties, including debtors, creditors, professionals, and others. As a neutral participant with no pecuniary interest in a case, the USTP provides stability to the bankruptcy system through its independence, balanced enforcement, and oversight.

ORGANIZATION

The USTP is led by a Director headquartered in the Executive Office for U.S. Trustees (EOUST) in Washington, D.C., who manages overall operations and sets legal and administrative policies and priorities. U.S. Trustees manage 21 regions consisting of 90 field offices that are each supervised by an Assistant U.S. Trustee (Figure 1).

FIGURE 1: MAP OF USTP REGIONS AND OFFICES



¹ The USTP has jurisdiction in all judicial districts except those within Alabama and North Carolina. In those six districts, bankruptcy court officials called Bankruptcy Administrators perform a similar function.

At the conclusion of Fiscal Year (FY) 2021, the Program employed more than 1,000 staff members composed of attorneys, financial analysts, paralegals, and support staff. More than 90 percent of the USTP's employees serve in its field offices.

The Program's expansive field structure enables it to participate in about 250 bankruptcy courts, preside over statutory meetings of creditors held in approximately 400 locations,² detect and address multi-jurisdictional violations through coordinated enforcement efforts, and ensure maximum accessibility to the bankruptcy system by both debtors and creditors.

FUNDING

The USTP is funded solely through appropriations made by Congress that are offset by a portion of fees paid by bankruptcy debtors and deposited into the U.S. Trustee System Fund. In FY 2021, the USTP's appropriation was fully offset by funds on deposit in the System Fund.

BANKRUPTCY CHAPTERS AND FILINGS

BANKRUPTCY CHAPTERS

A bankruptcy case is a proceeding brought under federal law to discharge or reorganize the financial obligations of an individual or an entity. The Bankruptcy Code appears in title 11 of the United States Code. Almost all bankruptcy cases are filed under either chapter 7, 11, or 13.³

412,655
BANKRUPTCY FILINGS

- Chapter 7 bankruptcy is a liquidation proceeding available to consumers and businesses (although business cases represent just three percent of chapter 7 cases). In these cases, the private trustee appointed by the U.S. Trustee collects and reduces to money the debtor's non-exempt assets and distributes the proceeds to creditors in accordance with the Bankruptcy Code's priority scheme. A consumer debtor receives a discharge of pre-petition debts, other than certain debts that are exempt from discharge under the Bankruptcy Code.
- Chapter 11 provides a procedure by which a business can reorganize debts while continuing to operate, and generally the company's management retains control of the business during the case. Most chapter 11 cases are filed by businesses, although individuals may file under chapter 11 as well. The debtor, often with participation from creditors, proposes a plan of reorganization to repay part or all its debts. In February 2020, the Small Business Reorganization Act of 2019 (SBRA) became effective, which created a new subchapter V of chapter 11 for small business debtors that meet certain debt and other criteria.
- Chapter 13 is used by individual consumers to reorganize their financial affairs under a repayment plan administered by a private trustee appointed by the U.S. Trustee that must be completed within three to

² Due to public health concerns during the COVID-19 pandemic, with few exceptions, meetings of creditors in FY 2021 were conducted either by telephone or video.

³ There are three other chapters under which certain debtors may file a bankruptcy case. Family farmers and fishermen may file under chapter 12; municipalities may file under chapter 9; and foreign entities may seek relief under the cross-border insolvency provisions of chapter 15. Cases under these three chapters represent just 0.1 percent of all bankruptcy filings.

five years.⁴ To be eligible for chapter 13 relief, a consumer debtor must have regular income and may not have more than a specified amount of debt.

CASE FILINGS

In FY 2021, new bankruptcy case filings in the judicial districts covered by the Program totaled 412,655. When combined with ongoing cases filed in prior years, the Program oversaw about 1.1 million active cases throughout the year.⁵ Chapter 7 cases accounted for about 73 percent of all bankruptcy filings, chapter 11 cases for about one percent, and chapter 13 cases for about 26 percent.

Consumer filings were erratic in FY 2021, with chapter 7 filings down by 24 percent and chapter 13 filings down by 40 percent compared to FY 2020—likely a result of federal relief payments and a mortgage moratorium. Overall chapter 11 reorganization filings also were down by 31 percent, although small business filings declined by just 7 percent.

HIGHLIGHT OF THE USTP'S WORK IN FY 2021

ADVANCED THE RULE OF LAW IN BUSINESS REORGANIZATION CASES

The role of the USTP in chapter 11 cases is to ensure compliance with the Bankruptcy Code so that the rights of all parties are vindicated. Throughout FY 2021, the Program advanced this agenda, helping develop consistent case law and improving professional and industry practices by challenging improper and unconstitutional non-consensual, non-debtor third-party releases; bad faith case filings; and conflicts of interest by professionals seeking to be paid by a bankruptcy estate.

Improper and Unconstitutional Non-Consensual, Non-Debtor Third-Party Releases

In FY 2021, the issue of non-consensual, non-debtor third-party releases was at the forefront of several high-profile bankruptcy cases. In such cases, the debtor improperly seeks releases of liability in favor of non-debtors—sometimes the debtor's principals and other related parties—without the consent of all creditors. If allowed, non-debtor parties, without ever having to file for bankruptcy themselves, can escape the transparency and creditors' rights rules provided for in the bankruptcy process. Such releases not

DISTRICT COURT REVERSES PLAN CONFIRMATION ORDER WITH BROAD NON-DEBTOR THIRD-PARTY RELEASES ON APPEAL BY USTP

In a high-profile chapter 11 case of a pharmaceutical company involved in the national opioid crisis, the debtor and its affiliated debtors proposed a plan of reorganization that included sweeping releases that would shield the company's founding family and others—all of whom had not filed for bankruptcy—from civil liability to thousands of opioid victims and their survivors, states, and other entities.

The Program filed an objection in the bankruptcy court to these extraordinarily broad releases in violation of various provisions of the Bankruptcy Code and the Constitution. After the bankruptcy court overruled the objection and confirmed the company's reorganization plan on September 1, 2021, the USTP appealed the confirmation order to the district court. The district court reversed the plan confirmation order, agreeing with the USTP that the Bankruptcy Code does not allow such releases and that the bankruptcy court lacked authority to do so under Supreme Court precedent. The debtor has appealed the decision to the Second Circuit Court of Appeals, and the case is ongoing.

⁴ The *Coronavirus Aid, Relief, and Economic Security Act of 2020* (CARES Act) extended this payment period beyond five years in some circumstances.

⁵ This figure is calculated using data from both the Executive Office for U.S. Trustees and the Administrative Office of the U.S. Courts.

only violate the Bankruptcy Code and U.S. Constitution, but also can deny creditors the right to personally sue the non-debtor parties who receive such releases for alleged harm. Historically, the USTP has taken a narrow view of the authority of bankruptcy courts to approve such releases of liability and challenges them as they arise.

Bad-Faith Bankruptcy Filings

A basic tenet of the bankruptcy system is that cases be filed in “good faith,” which is necessary to balancing the interests of debtors and creditors alike. That tenet was put to the test this year with a chapter 11 filing by a national advocacy organization. The USTP acted swiftly to challenge, among other things, the employment of special counsel for the debtor who had been controlling the case and the debtor’s request to hire a chief restructuring officer to evade statutory remedies. The Program also successfully defended against actions to expand the creditors’ committee to include additional members and vendors that had ties to the organization. At the court’s request, the USTP filed a statement setting forth legal positions regarding the legal standards that had to be satisfied before the court could order various remedies proposed by parties in the case. The uncontroverted trial testimony in this matter established past and ongoing financial irregularities as well as secrecy surrounding the bankruptcy filing. At the trial’s conclusion, the USTP supported dismissal based on bad faith or, alternatively, a trustee or examiner with expanded powers based on gross mismanagement. The court dismissed the case based on bad faith.

Conflicts of Interests by Professionals

The USTP plays an important role in bankruptcy to police the disclosures and potential conflicts by chapter 11 professionals seeking compensation from the bankruptcy estate. Although all parties of interest have standing to object to the adequacy of disclosures and to a professional’s retention because of conflicts, it is usually only the U.S. Trustee who does so.

In one notable case this year, the Program entered into a settlement agreement with a global consulting firm to resolve disclosure deficiencies in its retention papers related to its work on the bankruptcy of a large energy company that resulted in the firm’s withdrawal of its application for employment and forfeiture of several million dollars in fees. Moreover, for the first time, the firm agreed to disclose all affiliate connections and all confidential client connections in future retention applications.

COUNSEL WITHDRAWS FEE REQUEST OF NEARLY \$56,000 AFTER OBJECTION BY USTP’S PHILADELPHIA OFFICE

In response to an objection filed by the Program’s Philadelphia office, co-counsel to the official committee of unsecured creditors in the chapter 11 bankruptcy case of a brewing company withdrew its application for compensation and reimbursement of expenses. The U.S. Trustee alleged that the attorney failed to disclose an actual or potential conflict that existed when the committee retained the attorney while he was a partner with another firm. Two months after being retained, the attorney left for a new firm, never seeking court approval of the employment of his former firm, but rather suggesting to the court that he was providing a substantial benefit to the committee by not billing for or seeking approval of compensation for the work performed for the committee by his former firm. The U.S. Trustee argued that the attorney misled the court, not only regarding the existence of the conflict, but also regarding his authority to waive any fees earned by his former firm. The withdrawal of the application resulted in a waiver of \$55,788 in fees and \$1,033 in expenses, as well as a direct monetary benefit to unsecured creditors who received additional distributions of the waived fees and expenses under the debtor’s confirmed plan of reorganization.

In another matter, the USTP reached a settlement agreement with three large law firms for failing to adequately disclose a Joint Defense and Common Interest Agreement between the debtor pharmaceutical company and its founding family of owners. During the bankruptcy case, the debtor had invoked the Agreement to avoid turning over documents to the official committee of unsecured creditors as it conducted its review of the debtor’s conduct. Under

the settlement, the firms relinquished \$1 million in fees earned in the cases and were required to supplement their prior disclosures so that the bankruptcy court and other parties could make a determination as to their sufficiency.

PROTECTED CONSUMER DEBTORS

The USTP has a robust practice to protect consumer debtors from abusive or non-compliant conduct by creditors, professionals, or other third parties involved in bankruptcy cases. In addition to its work in individual cases, the Program takes steps to address emerging issues and remedy patterns of misconduct, especially when the misconduct is large scale or across multiple jurisdictions. In FY 2021, this included five significant consumer protection settlements.

In December 2020, the Program entered into national agreements with three mortgage servicers to provide more than \$74 million in remediation to homeowners in bankruptcy. The agreements addressed noncompliance with the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure that impacted more than 60,000 accounts of borrowers in bankruptcy dating back to 2011. The violations generally related to payment

application errors; inaccurate, missing, and untimely bankruptcy filings; and/or delayed escrow statements. The agreements also required the servicers to implement improvements in their bankruptcy operations to ensure the errors do not recur. This came on the heels of an agreement with another servicer that memorialized approximately \$36 million in remediation to more than 20,000 homeowners for unnoticed loan modifications for borrowers in bankruptcy that led to (1) overpayments and improperly capitalized unnoticed fees and costs, (2) failure to run annual escrow analyses for borrowers in bankruptcy, and (3) failure to waive unnoticed tax and insurance advances following a borrower's discharge.

“[J]ustice has been served!”

These were the words shared by an 82-year-old consumer debtor, who had provided compelling deposition testimony, upon learning that she would be receiving a refund as part of the \$300,000 consumer law firm settlement.

Then, in March 2021, the Program reached a settlement with an Internet-based national consumer law firm to resolve the USTP's claims of misconduct relating to the firm's representation of debtors or prospective debtors in Montana. Under the settlement, the firm agreed to return more than \$300,000 in fees and accept a six-year district-wide practice ban. As a result of dozens of USTP actions filed since 2016, the firm has paid more than \$900,000 in monetary relief and received a practice ban in at least four jurisdictions.

STREAMLINED CHAPTER 11 FINANCIAL REPORTING

In FY 2021, the USTP published and implemented a Final Rule governing the filing of uniform periodic financial reports in non-small business chapter 11 cases. The Rule and the two forms it implemented not only simplified the reporting process—replacing approximately 150 existing variations of the monthly operating report (MOR) and quarterly post-confirmation report with one data-embedded form for each—but also has provided transparency and uniformity with appropriate flexibility. MORs serve an essential purpose in helping parties evaluate a case's progress, including compliance with legal requirements and determining whether the case should be converted or dismissed. The new forms not only reflect the broader transparency that stakeholders rightfully expect in the bankruptcy system but, importantly, have the added benefit of facilitating the aggregation of data that will assist policymakers in analyzing bankruptcy trends without imposing significant additional burdens upon chapter 11 debtors and trustees. They also achieve significant efficiencies for the Program by providing easy access to electronic report

data that supports several activities, including the calculation of quarterly fees. For chapter 11 debtors, the changes clarified their obligations and simplified reporting.

ADVANCED EMERGENCY RENTAL ASSISTANCE PROGRAMS

In partnership with the U.S. Department of the Treasury, the USTP helped to advance awareness of emergency rental assistance (ERA) programs available during the COVID-19 pandemic. Among the steps it took, the USTP developed an Informational Notice that was made available to all consumer debtors. The Notice provided an overview of ERA, as well as useful links for debtors to learn about programs in their state, get answers to frequently asked questions, and find HUD-approved housing counselors. The Program promoted the Notice through significant outreach to the bankruptcy community, including through judges, private trustees, and bankruptcy practitioners; posting it on the USTP's website; and sharing it through its social media applications. In addition, the USTP instructed approved credit counseling agencies and debtor education providers to provide it as part of their counseling sessions.

SUPPORTED IMPORTANT LEGISLATION TO IMPROVE THE BANKRUPTCY SYSTEM

The USTP provided significant technical assistance to Congress as it drafted the Bankruptcy Administration Improvement Act (BAIA), which became law in January 2021. The BAIA accomplished three important goals:

- Lowered quarterly fees for nearly all chapter 11 debtors without raising fees for any debtor;
- Provided funding for 25 bankruptcy judgeships; and
- Established a mechanism to compensate chapter 7 private trustees up to an additional \$60 per case—the first such increase in more than 25 years.

CONSUMER CASES: CIVIL ENFORCEMENT AND MEANS TESTING

One of the USTP’s core functions is to combat bankruptcy fraud and abuse. Though most of the Program’s actions in consumer cases address debtor violations, a significant number focus on remedying wrongdoing by attorneys, non-attorney bankruptcy petition preparers, creditors, and others who attempt to exploit debtors and the bankruptcy system.

In FY 2021, the Program initiated more than 12,000 inquiries (informal investigations) and more than 2,300 court actions⁶ in key civil enforcement areas in consumer cases (Figure 2), with a potential monetary impact of approximately \$549 million. Notably, as evidence of the USTP’s judiciousness in bringing enforcement actions in these areas, it enjoys a high success rate in every category of activity.



MEANS TESTING AND DEBTOR VIOLATIONS

One of the major responsibilities of the USTP is to administer and enforce the “means test,” which is a statutorily prescribed formula used to help determine eligibility for chapter 7 bankruptcy relief by individuals with primarily consumer debt and income above their state median income. The formula determines disposable income by using historical income, which is then reduced by allowable expense standards issued by the Internal Revenue Service. In FY 2021, a chapter 7 case in which the debtor had disposable income above \$227.50 per month was presumed abusive and subject to dismissal.

FIGURE 2: CIVIL ENFORCEMENT ACTIVITY IN CONSUMER CASES, FY 2021

Enforcement Activity	Inquiries ⁷	Actions ⁸	Action Success Rate ⁹	Potential Financial Impact (Thousands)
§ 707(a) Dismissal for Cause	922	500	94%	\$35,914
§ 707(b) Dismissal for Abuse	7,358	755	100%	\$150,919
§ 727 Denial of Discharge	1,299	566	99%	\$282,481
§ 1307(c) Dismissal or Conversion	45	59	96%	N/A
§ 1328(f) Denial of Discharge	18	60	100%	\$2,185
§ 110 Bankruptcy Petition Preparers	248	70	99%	\$271
§ 329 Attorney Fee Disgorgement	1,425	273	94%	\$2,058
§ 526 Debt Relief Agencies	207	23	91%	\$66
Other Attorney Misconduct	255	27	97%	\$130
Abusive Conduct by Creditors	207	12	100%	\$74,653

The effectiveness of the means test largely depends on the USTP identifying cases that are presumptively abusive under the statutory formula and filing actions to dismiss those cases when appropriate. The USTP is required by law

⁶ These figures include all FY 2021 civil enforcement activity in consumer cases, not just those reflected in this section of the report.

⁷ Inquiries (informal investigations) include documented communications by USTP staff with parties or others involved in a bankruptcy case concerning compliance with bankruptcy law and rules.

⁸ Actions include motions, complaints, and objections that Program personnel filed with the bankruptcy court to seek relief.

⁹ The success rate is calculated by dividing the number of court actions decided in favor of the USTP in FY 2021 into the total number of court actions decided in FY 2021. Action success rate includes outcomes where the court entered an order granting the relief sought by the USTP, in whole or in part, or the defendant agreed to other relief satisfactory to the USTP.

to file with the court either a motion to dismiss a case in which the presumption of abuse arises or a statement explaining the reasons for declining to file such a motion. If the presumption of abuse arises, the USTP either moves to dismiss the case where the debtor has an ability to repay creditors or declines to seek dismissal after consideration of special circumstances, such as a recent job loss or continuing medical debt.

The USTP's prudent exercise of its enforcement responsibilities under the means test has allowed it to meet the statutory objective of denying chapter 7 relief to debtors who have an ability to pay without creating unnecessarily harsh results. In FY 2021, the USTP declined to file a motion to dismiss in about 65 percent of presumptively abusive cases.

Even if a case is not presumptively abusive under the means test, the Bankruptcy Code permits the USTP to seek dismissal based on several grounds, including the debtor's bad faith or the totality of the circumstances of the debtor's financial situation. For example, if a debtor retains luxury items, incurs debt shortly before filing bankruptcy, or fails to disclose information required by the Bankruptcy Code and Rules, then the debtor may be subject to dismissal on the USTP's motion.

342
**SUCCESSFUL
ACTIONS TO DENY
DISCHARGE**

The USTP also may file a complaint to deny or revoke an individual debtor's bankruptcy discharge if the debtor engaged in improper conduct such as transferring, concealing, or destroying property to hinder or defraud creditors or the bankruptcy estate; knowingly and fraudulently making a false oath; refusing to obey a court order; or failing to keep or preserve financial records. The debtor may voluntarily waive discharge under the same statutory provision.

CONSUMER DEBTOR PROTECTION

Professional Misconduct

The USTP has a long history of rigorous enforcement against attorneys who engage in fraudulent conduct or provide inadequate representation to their consumer debtor clients. Some attorneys fail to carry out their basic obligations to their clients by, for example, not meeting with their client, not attending court proceedings, or engaging in other unprofessional behavior. In some of the more egregious cases, professionals engaged in fraud by lying to the court, misrepresenting their services to clients, or engaging in other wrongful conduct. This professional misconduct not only harms debtors who receive substandard representation but also burdens creditors and the courts.

300
**COURT ACTIONS
FILED RELATING TO
PROFESSIONAL
MISCONDUCT**

In FY 2021, the Program filed 300 court actions against professionals who violated the standards imposed by the Bankruptcy Code and Rules to the detriment of debtors, creditors, and the bankruptcy system. The USTP's enforcement actions in this area have led to remedies including refunds of attorney's fees already paid, cancellation of retention contracts, civil penalties, injunctions, and other sanctions. In many instances, attorneys who violate the Bankruptcy Code and Rules during their representation of debtors or other parties also violate the rules of professional conduct governing all lawyers. Where appropriate, the USTP refers these matters to state licensing and disciplinary authorities for investigation and action, which may include suspension from practice or disbarment.

One area of focus for the USTP in FY 2021 was the practice of bifurcation of fees by attorneys in chapter 7 liquidation cases. Traditionally, attorney's fees for a chapter 7 case must be paid in full before filing, but bifurcated agreements split the fees under separate pre- and post-petition fee agreements that provide for post-petition fees to be paid over time. Bankruptcy courts are divided as to whether these arrangements are permissible.

While bifurcated fee arrangements may provide an alternative to debtors who need chapter 7 relief but simply are unable to pay the fees in full before filing, they also may present opportunities for abuse when, for example, an attorney charges excessive or inappropriate fees for the accommodation of paying fees over time, fails to obtain their clients' fully informed consent, or inadequately discloses the terms of the arrangement. The Program's enforcement actions

in this area have focused on redressing such harms and have spurred court opinions that have provided much needed interpretations of legal requirements governing the performance of consumer bankruptcy attorneys.

Bankruptcy Petition Preparers

While a legitimate bankruptcy petition preparer (BPP) may provide a useful service to a debtor, an unscrupulous one may affect a debtor's ability to obtain bankruptcy relief. BPPs are not attorneys and, in general, can only provide the limited service of typing information provided by the debtor into the forms and providing the completed bankruptcy petition to the debtor for filing. BPPs are prohibited from, among other things, providing legal advice, including whether and under what chapter to file a petition, what property to exempt, and the tax consequences of filing. BPPs also are not allowed to sign or file documents with the court on behalf of the debtor, accept money in any form to pay a debtor's bankruptcy filing fee or other court fees, or use the word "legal" or any similar term in advertising that may mislead the public or a debtor into believing that the BPP is authorized to practice law or otherwise give legal advice. In FY 2021, the Program filed 70 court actions against BPPs for violations—including actions to obtain orders to disgorge document preparation fees, impose fines, and enjoin prohibited conduct—with a 99 percent success rate.

Creditor Violations

In many cases in which a creditor has engaged in abusive conduct, there are multiple victims, including debtors and other creditors whose distributions are diminished by overpayment to the violating creditor. The USTP's creditor abuse enforcement efforts have sought to address a range of violations committed by both secured and unsecured creditors, including billing debtors for amounts not owed, violating the bankruptcy discharge injunction, failing to protect debtors' personally identifiable information, and other issues. In FY 2021, the USTP pursued more than 200 actions and inquiries related to abusive conduct by creditors.

CONSUMER BANKRUPTCY LAW FIRM AGREES TO CHANGE CHAPTER 7 FEE AND RETENTION STRUCTURE AFTER COMPLAINT BY USTP'S CHICAGO OFFICE

A major consumer bankruptcy law firm agreed to change its fee and retention structure after the USTP's Chicago office filed a complaint in the Bankruptcy Court for the Northern District of Illinois. The firm employed a complex fee structure with its chapter 7 clients to circumvent both the automatic stay and discharge injunction.

The U.S. Trustee's four-count complaint sought disgorgement of all post-petition fees in numerous cases and an injunction against any further use of the fee structure. The firm filed a motion to dismiss the complaint, which the court granted as to one count. During negotiations over the remaining three counts, the firm agreed to change its fee and retention structure to comply with Seventh Circuit precedent and the Bankruptcy Code. The U.S. Trustee and the law firm filed a joint stipulation dismissing the complaint based on the firm's agreement to employ a new fee structure in future cases.

CRIMINAL ENFORCEMENT

2,244

CRIMINAL
REFERRALS

The USTP has a statutory duty to refer matters to the U.S. Attorneys' offices (USAOs) for investigation and prosecution that "relate to the occurrence of any action which may constitute a crime" and to assist the U.S. Attorney in "carrying out prosecutions based on such action." 28 U.S.C. § 586(a)(3)(F). Because bankruptcies cross all industries and levels of American society, the detection of bankruptcy fraud and other criminal activity can lead to the detection and prosecution of other serious crimes.

In FY 2021, the Program made 2,244 bankruptcy and bankruptcy-related criminal referrals. The Program works with its federal and state law enforcement partners and participates in approximately 50 local bankruptcy fraud working groups and other specialized task forces throughout the country. Nearly two dozen Program attorneys are designated as Special Assistant U.S. Attorneys to assist USAOs in the prosecution of bankruptcy and bankruptcy-related crimes. In addition, many other staff—including attorneys, bankruptcy analysts, and paralegals—are often called upon to assist with investigations and to provide expert or fact witness testimony at criminal trials. In FY 2021, the Program also responded to more than 200 requests for assistance from USAOs, the FBI, and other law enforcement agencies on matters not originating from a USTP referral.

PANDEMIC-RELATED CRIMES

Among the FY 2021 referrals were 66 matters related to wrongdoing under the CARES Act, including Paycheck Protection Program (PPP) loans. Regulations implementing the law specifically excluded debtors in bankruptcy from eligibility to receive PPP loans; however, these debtor applicants either were approved for loans based on alleged false statements on their loan applications that they were not a debtor in bankruptcy or they used PPP funds they received for improper purposes.

PAYDAY LENDING PRINCIPAL SENTENCED FOR BANKRUPTCY FRAUD IN CASE PROSECUTED WITH ASSISTANCE OF USTP'S KANSAS CITY OFFICE

The owner of an online payday loan company was sentenced in the Western District of Missouri to one year and one day in federal prison without parole, followed by three years of supervised release, and was ordered to pay the bankruptcy estate \$909,323 in restitution after pleading guilty to one count of bankruptcy fraud. The defendant admitted that he engaged in a scheme to defraud the bankruptcy court by concealing assets, bank accounts, and claims against third parties, and by making false statements and material omissions regarding his assets and financial transfers to and from third parties. Three of the defendant's creditors filed an involuntary bankruptcy petition against him, his partner, and their company, with claims totaling more than \$15 million. During his individual bankruptcy case, the defendant failed to disclose personal and business assets, including collectables, artwork, jewelry, bank accounts, preferential and fraudulent transfers to friends and relatives, and his sole ownership and operation of a payday loan consulting firm.

The USTP's Kansas City office referred the matter to the U.S. Attorney and assisted in the investigation and prosecution, including providing testimony at the sentencing hearing. And in the bankruptcy case, the U.S. Trustee's office filed a complaint to deny the defendant's discharge, which the bankruptcy court upheld after a trial.

BANKRUPTCY FRAUD INTERNET “HOTLINE”

The USTP maintains on its website a bankruptcy fraud “Hotline” that offers a convenient means for individuals to report suspected bankruptcy fraud and provide supporting documentation and specific information that may be useful in pursuing allegations. In FY 2021, the USTP documented nearly 400 Hotline submissions from the public and made 118 referrals based on Hotline submissions made in either FY 2021 or a prior fiscal year. While not all submissions rise to the level of a criminal referral, they may lead to a civil enforcement action.

ANNUAL REPORT TO CONGRESS

Section 1175 of the Violence Against Women and Department of Justice Reauthorization Act of 2005, Pub. L. No. 109-162, requires the EOUST’s Director to submit a “report to Congress detailing—(1) the number and types of criminal referrals made by the United States Trustee Program; (2) the outcomes of each criminal referral; (3) for any year in which the number of criminal referrals is less than for the prior year, an explanation of the decrease; and (4) the United States Trustee Program’s efforts to prevent bankruptcy fraud and abuse, particularly with respect to the establishment of uniform internal controls to detect common, higher risk frauds, such as a debtor’s failure to disclose all assets.”

The Program’s most recent report to Congress is available for viewing at <https://www.justice.gov/ust/bankruptcy-data-statistics/reports-studies>.

CHAPTER 7 DEBTOR SENTENCED TO FIVE YEARS FOR BANKRUPTCY FRAUD AFTER GUILTY PLEA

After a guilty plea to concealment of assets in his bankruptcy case, the District Court for the District of Idaho sentenced a former chapter 7 debtor to five years in federal prison followed by one year of supervised release and ordered him to pay a \$25,000 fine. The defendant also agreed to forfeit an additional \$25,000 as part of the plea agreement. The defendant disclosed in his bankruptcy documents and maintained at his first meeting of creditors that he had significant debts and almost no assets. However, an investigation by the USTP’s Boise office revealed that, in fact, he had more than \$250,000 in cash and securities that were held in an investment account in the name of another individual and he had fraudulently transferred real estate to a family member in an attempt to hide it from creditors. After learning of the concealments, the USTP’s Boise office obtained the denial of the defendant’s bankruptcy discharge and referred the alleged criminal conduct. In addition, an Assistant U.S. Trustee served as a Special Assistant U.S. Attorney in the case and other members of the Boise office assisted the prosecution team.

CHAPTER 11 BUSINESS REORGANIZATIONS

The Program carries out significant responsibilities in chapter 11 business reorganization cases, including:

- appointing official committees of creditors;
- objecting to the employment and compensation of professionals, such as attorneys and financial advisors, whose applications do not meet statutory standards;
- appointing trustees and examiners when warranted, such as when there is suspected financial wrongdoing;



- reviewing and objecting to disclosure statements to ensure adequate information is provided to stakeholders;
- moving to dismiss or convert chapter 11 cases because they are not progressing toward financial rehabilitation; and
- enforcing the statutory limitations on insider and executive compensation under 11 U.S.C. § 503(c).

Although the USTP does not substitute its business judgment for that of management, the Program’s role is critical to protecting the interests of all stakeholders. In small and large cases alike, the Program has, in several significant respects, advanced this agenda, helped develop consistent case law, and improved professional and industry practices.

To support the work of trial attorneys in the Program’s field offices and to ensure consistent positions are taken on similar issues arising in different jurisdictions, the USTP utilizes “strike teams” comprised of experienced chapter 11 lawyers from its offices across the country to assist with drafting pleadings and litigating significant chapter 11 issues and has a designated chapter 11 coordinator in each region who serves as the liaison with the EOUST’s Office of the General Counsel.

Figure 3 shows the number of inquiries (informal investigations) and actions (court filings) initiated by the Program during FY 2021 in key areas related to chapter 11 case administration and oversight, along with the success rate for actions.

Type of Activity	Inquiries ¹⁰	Actions ¹¹	Action Success Rate ¹²
§ 327 Employment of Professionals	1,737	434	89%
§ 330 Professional Fee Requests ¹³	1,481	313	94%
§ 503(c) Key Employee Retention Plans	47	30	50%
§ 1103 Employment of Professionals	129	8	100%
§ 1104 Appointment of Trustee or Examiner	13	27	90%
§ 1112(b) Conversion or Dismissal	1,655	1,182	97%
§ 1125 Disclosure Statements	256	249	98%
§ 1129 Plan Confirmation	546	395	91%
Debtor-in-Possession Financing/ Cash Collateral Agreements	260	108	92%

EXECUTIVE AND OTHER INSIDER BONUSES

Section 503(c) of the Bankruptcy Code restricts a company’s ability to pay retention bonuses to senior executives, although true incentive bonuses are allowed. The intent of this section is to prevent the same management that brought the company into bankruptcy from paying itself large cash awards while shareholders and employees suffer financially. The USTP is often the only party to enforce statutory restrictions on executive compensation.

Debtors sometimes disguise prohibited “pay to stay” bonuses for executives and insiders as performance incentives that purportedly will increase the value of the company for the benefit of creditors. In such cases, debtors set so-called milestones to artificially low levels that render performance requirements illusory.

¹⁰ Inquiries (informal investigations) include documented communications by USTP staff with parties or others involved in a bankruptcy case concerning compliance with bankruptcy law and rules.

¹¹ Actions include motions, complaints, and objections that Program personnel filed with the bankruptcy court to seek relief.

¹² The success rate is calculated by dividing the number of actions decided successfully in FY 2021 into the total number of actions decided in FY 2021. Action success rate includes outcomes where the court entered an order granting the relief sought by the USTP, in whole or in part, or the defendant agreed to other relief satisfactory to the USTP.

¹³ Professional fee requests under 11 U.S.C. §§ 327 and 330 arise primarily in chapter 11 cases but also in cases filed under other chapters.

While many of the USTP's objections in this area are resolved informally through voluntary modification of the debtor's initial bonus proposal, the USTP often must file formal objections to executive bonuses and severance payments in chapter 11 cases. In FY 2021, 30 such objections were filed. The kinds of changes sought by the USTP include eliminating top executives from the list of bonus recipients or requiring more stringent performance milestones that must be met prior to payment of the bonus so that they are genuinely incentive, not retention, bonuses.

The Program also provided significant assistance to the Government Accountability Office (GAO) in FY 2021 during its investigation of the incidence and magnitude of executive bonuses.¹⁴ The GAO's report, which incorporated USTP comments, did not recommend any changes to the Program's practices or procedures.

CONFLICTS OF INTEREST

Under the Bankruptcy Code, the Program has an important responsibility to review applications to employ law firms and other professional firms that will seek payment from the bankruptcy estate in chapter 11 cases. Due to the multiplicity of interests in a case—from large to small creditors and employees to other stakeholders—the Bankruptcy Code and Rules mandate that professional firms disclose their connections to other parties in the case and satisfy conflict of interest standards. As with executive bonuses, although all parties in a case may object to the adequacy of a professional firm's disclosures and to its retention because of potential or actual conflicts, it is usually only the USTP that does so.

In recent years, the increasingly complex organizational structure of many professional firms seeking to be retained in bankruptcy cases has made the USTP's review of employment applications more challenging. Some are affiliates of larger businesses that provide a variety of services to clients, both inside and outside of the bankruptcy system. In addition, some professional firms (including their parents and affiliates) sponsor funds that invest in their business clients, in distressed debt that may be at issue in a bankruptcy case, or in industries (including competitors of their business clients) to which they provide services. In response to these challenges, the USTP issued guidance to its staff establishing four principles Program personnel should use during this review. These principles, which were publicly posted, put the parties and professional firms on notice of the USTP's enforcement positions and provide a

ON APPEAL, THE DISTRICT COURT AGREES WITH THE USTP'S POSITION AND REVERSES THE BANKRUPTCY COURT'S ORDER APPROVING RETENTION BONUSES TO SIX EMPLOYEES OF A CORPORATION IN BANKRUPTCY

The United States District Court for the Southern District of New York agreed with the USTP's position and reversed the bankruptcy court's order approving retention bonuses to six employees of the debtor corporation. The court agreed that the employees were insiders and therefore prohibited from receiving such bonuses under the Bankruptcy Code. The Code defines an "insider" as including an "officer" but does not define "officer."

Although the six employees each had an officer's title, were appointed as such by the board of directors, and would be deemed officers under Delaware law, the bankruptcy court held that they were not "officers" under the Code based on a functional test. The district court's ruling held that the bankruptcy court erred by inquiring beyond the fact that the employees were appointed by the board and failing to give due weight to the resulting officer status under Delaware law. The district court also rejected the debtor's argument that the appeal was equitably moot because the bonuses had already been paid.

2,308

**OBJECTIONS AND INQUIRIES
RELATED TO THE EMPLOYMENT
OF PROFESSIONALS,
INCLUDING THOSE WITH
CONFLICTS OF INTEREST**

¹⁴ The GAO's final report, titled "[Bankruptcy: Enhanced Authority Could Strengthen Oversight of Executive Bonuses Awarded Before a Bankruptcy Filing](#)," recommended that Congress consider amending the Bankruptcy Code to clearly subject bonuses debtors pay executives shortly before a bankruptcy filing to bankruptcy court oversight and to specify factors courts should consider to approve such bonuses.

common framework for consistent enforcement of the Bankruptcy Code and Rules related to disclosures and conflicts.

PROFESSIONAL FEES

The Program monitors and, when appropriate, objects to applications for compensation filed by professionals such as attorneys, accountants, turnaround specialists, and others who are paid from bankruptcy estate funds. In FY 2021, the USTP made 1,481 inquiries and took 313 formal actions related to professional fees, resulting in an aggregate of nearly \$37 million in fee requests reduced or withdrawn.

The USTP's role in this area is an important one since it frequently is the only one that objects to professional fees. Oftentimes, client control that is present in other business litigation is absent in bankruptcy because there is an urgency to the bankruptcy filing due to impending foreclosure, lack of cash to continue operations, or other emergencies. Moreover, a bankruptcy case generally involves multiple parties with varying interests that are affected by the conduct of the case and varying levels of financial ability to assert their interests. Therefore, non-debtor parties seldom exercise oversight or do so only as a litigation tactic.

SMALL BUSINESS REORGANIZATIONS

Small business debtors—defined as debtors with less than about \$2.7 million¹⁵ in debts that also meet other criteria—may elect to proceed under subchapter V of chapter 11 of the Bankruptcy Code. Subchapter V, which was established by the Small Business Reorganization Act of 2019 (SBRA), imposes shorter deadlines for completing the bankruptcy process and allows for greater flexibility in negotiating restructuring plans with creditors. Unlike in other chapter 11 cases, the USTP appoints a trustee in each subchapter V case. The trustee works with the debtor and the creditors to facilitate the development of a consensual plan of reorganization, which may include evaluating the viability of the small-business debtor's business and investigating the debtor's financial condition and conduct if directed by the court.

Since subchapter V became effective in February 2020, the USTP has undertaken considerable effort to ensure its effectiveness. Following the successful recruitment of approximately 250 subchapter V trustees from a variety of professional backgrounds, the Program implemented an

COUNSEL FOR CHAPTER 11 DEBTOR REDUCES FEE APPLICATION BY \$635,276 ON MOTION BY USTP'S NEWARK OFFICE

The Bankruptcy Court for the District of New Jersey entered an order granting the voluntary reduction of professional fees by a law firm representing a chapter 11 debtor of \$635,276. The reduction was the result of a motion by the USTP's Newark office to disqualify the firm and disallow fees after an investigation revealed the firm failed to disclose an actual conflict of interest based on its concurrent representation of the debtor and a non-debtor affiliate that received a cash infusion from the debtor within one year prior to filing. The firm also failed to disclose its representation on unrelated matters of two stalking horse bidders who sought to purchase the debtor's assets.

COURT GRANTS MOTION FILED BY USTP'S WORCESTER OFFICE TO DIRECT SUBCHAPTER V TRUSTEE TO CONDUCT INVESTIGATION

The Bankruptcy Court for the District of Massachusetts granted a motion by the USTP's Worcester office in the chapter 11 bankruptcy case of a small business debtor, directing the subchapter V trustee to investigate the acts, conduct, and financial condition of the business and to file a report with the court. The USTP requested the order after learning that the debtor, a beer importer, may have paid monies to cover certain operating expenses and payroll of related entities, had outstanding shareholder loans, and failed to cooperate in providing due diligence information to potential investors in the company. The debtor later filed a notice of voluntary conversion of the case to a liquidation under chapter 7, which the court approved.

¹⁵ Later adjusted to \$7.5 million under the CARES Act for cases filed on or after March 27, 2020.

extensive training and outreach plan to promote consistency and compliance with the subchapter’s requirements. In each subchapter V case, Program staff review case details to select and appoint the most appropriately qualified trustee from the pool of candidates.

Based on case results thus far, subchapter V appears to be working as Congress intended by successfully facilitating positive case outcomes for small business debtors. From the SBRA’s effective date through FY 2021, approximately 2,800 chapter 11 cases proceeded under subchapter V, either by the debtor electing subchapter V at the time of filing or by amending to elect subchapter V treatment after filing. In addition, approximately three quarters of chapter 11 small business filers are proceeding under subchapter V, with cases confirming plans at more than double the percentage, while being dismissed at approximately half the percentage, of chapter 11 small business cases historically (Figure 4). Approximately two-thirds of confirmed subchapter V plans have been consensual, and median confirmation times have been approximately four months faster for subchapter V cases than for chapter 11 small businesses not electing subchapter V treatment.

**FIGURE 4:
CHAPTER 11 SMALL BUSINESS CASE DISPOSITIONS
FY 2020 – FY 2021¹⁶**

Disposition	Non-Subchapter V	Subchapter V
Confirmed	26%	62%
Converted	22%	11%
Dismissed	52%	27%

APPELLATE PRACTICE

As the “watchdog” of the bankruptcy system, the USTP has a unique national perspective and a responsibility to promote the coherent and consistent application of bankruptcy law throughout the country. One of the most important roles the USTP plays is to identify and raise issues for review on appeal, thereby ensuring that the law is shaped, interpreted, and applied evenly in all judicial districts. When substantial rights and financial interests are affected, stakeholders large and small benefit from clear legal standards—not only in the case at hand but in the larger marketplace as well. In support of this effort, the USTP handles a significant number of appeals annually, many of which have a profound and long-standing effect on the bankruptcy system.

During FY 2021, the USTP participated in 100 new appellate matters that included:

- Six cases before the Supreme Court at the *certiorari* or merits stage;
- 24 appeals to the United States courts of appeals; and
- 70 appeals that the USTP handled before district courts and bankruptcy appellate panels.



DISTRICT COURT AGREES WITH USTP AND RULES DEBTOR INELIGIBLE FOR SUBCHAPTER V

The District Court for the Central District of California agreed with the USTP’s position and affirmed the bankruptcy court’s order converting a debtor’s chapter 11 case to chapter 7 and determining him ineligible for subchapter V. The debtor amended his chapter 11 bankruptcy petition to elect subchapter V on the eve of a hearing on a secured creditor’s motion to appoint a chapter 11 trustee or convert the case to chapter 7. The district court agreed with the bankruptcy court’s conclusion that the debtor was ineligible for subchapter V because he exceeded the debt limits. The Ninth Circuit subsequently affirmed the district court’s ruling in the case.

¹⁶ Percentages exclude subchapter V cases that amended out of subchapter V, as well as cases that remain pending.

Of the 38 appeals decided in FY 2021, the USTP's position prevailed in 34 of them, a nearly 90 percent success rate. Many appeals arise from enforcement actions prosecuted by the USTP, but the USTP also intervenes as *amicus curiae* (friend of the court)¹⁷ in other cases.

PRIVATE TRUSTEE OVERSIGHT AND ADDITIONAL USTP ACTIVITIES



U.S. Trustees appoint and supervise private trustees, who are not government employees, to serve as fiduciaries in bankruptcy cases with responsibility for administering the bankruptcy estate and distributing payments to creditors in cases filed under chapters 7, 12, or 13. These private trustees support a system that provides a fresh start to debtors and efficiently distributes assets to repay creditors. They also conduct the meeting of creditors, which is generally the only formal proceeding in which most debtors participate during the bankruptcy process. U.S. Trustees also recruit chapter 11 subchapter V trustees, who are appointed on a case-by-case basis to facilitate the development of a consensual plan of reorganization by small business debtors who have elected to proceed under subchapter V of chapter 11.¹⁸

Chapter 7 trustees often are referred to as “panel trustees” because the U.S. Trustee appoints them to a panel in each judicial district. Once a trustee is appointed to the panel, cases generally are assigned through a blind rotation process. The chapter 7 trustee collects the debtor’s assets that are not exempt from creditors, liquidates the assets, and distributes the proceeds to creditors. Chapter 12 and chapter 13 trustees are called “standing trustees” because, pursuant to statute, they have a standing appointment from the U.S. Trustee to administer cases within a particular geographic area. Standing trustees evaluate the financial affairs of the debtor, make recommendations to the court regarding confirmation of the debtor’s repayment plan, and administer the court-approved plan by collecting payments from the debtor and disbursing the funds to creditors.

The Program has a robust system for oversight of private trustees that includes regular training, reviews of financial operations, and evaluations of performance to ensure the effective administration of bankruptcy estate assets.

In FY 2021, there were more than 1,100 private trustees¹⁹ who handled the day-to-day activities of nearly 1.1 million ongoing bankruptcy cases. On average, these trustees distribute about \$8.2 billion²⁰ annually from the administration of bankruptcy estates. As part of its oversight responsibilities in FY 2021, the USTP:

- Reviewed about 65,000 final reports to ensure that chapter 7 cases were administered in compliance with the Bankruptcy Code and funds were properly distributed to creditors and other third parties.

¹⁷ When the USTP acts as *amicus curiae*, it is not a party to the case. Instead, it files a brief as a neutral party that shares its views about the legal issues presented by the appeal and its proposed solutions. Given that the USTP is a neutral party, courts often give weight to its views.

¹⁸ Discussed further in the section “Small Business Reorganizations” earlier in this report.

¹⁹ This figure includes trustees overseeing cases under chapters 7, 12, and 13; it does not include trustees overseeing cases under subchapter V of chapter 11. Currently, the USTP has available approximately 250 private individuals who are eligible for appointment as a trustee in small business cases in which the debtor has elected treatment under subchapter V.

²⁰ This figure is the average total trustee distributions per year over the previous five years (FY 2017 – FY 2021).

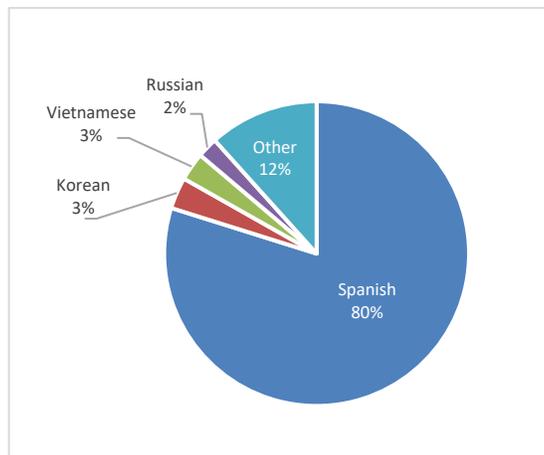
- Reviewed more than 900 interim reports prepared by chapter 7 panel and non-panel trustees to monitor their case administration progress and ongoing accountability for estate funds and other assets.
- Oversaw more than 400 audits conducted by independent CPAs of chapter 7 and chapter 13 trustees and conducted field exams led by USTP staff of chapter 7 trustees. These audits and exams are designed to verify that the trustees' accounting, reporting, and case management practices were adequate for safeguarding bankruptcy estate funds and administering bankruptcy cases.
- Reviewed 306 chapter 12 and chapter 13 FY 2021 amended and FY 2022 proposed annual budgets to ensure requested expenditures were reasonable and necessary for the administration of cases.

ASSISTANCE FOR INDIVIDUALS WITH LIMITED ENGLISH PROFICIENCY

To help ensure that individuals with limited English proficiency can fully participate in the statutory meetings of creditors where debtors testify under oath, the Program offers free telephonic interpreter services as needed.

In FY 2021, more than 13,000 calls were made for interpreter services in nearly 70 languages. The top three languages requested were Spanish, Korean, and Vietnamese (Figure 5).

FIGURE 5: LANGUAGES REQUESTED FOR INTERPRETER SERVICES



CREDIT COUNSELING AND DEBTOR EDUCATION

To ensure that consumers are aware of alternatives to bankruptcy and to provide tools to avoid future financial problems when they exit bankruptcy, the Bankruptcy Code requires individual debtors to receive credit counseling (including a discussion of options outside of bankruptcy) before filing and to complete a personal financial management education course before receiving a discharge of debts.

FIGURE 6: FY 2021 DELIVERY METHOD FOR SERVICES RECEIVED

Type of Service	In-Person	Telephone	Internet
Credit Counseling	0.1%	11.4%	88.5%
Debtor Education	0.2%	9.9%	89.9%

The USTP is responsible for the approval of providers who meet statutory qualifications to offer the pre-filing credit counseling and pre-discharge debtor education services to individual debtors. Providers must submit an initial application that is approved for a preliminary six-month period and, thereafter, must re-apply annually for approval. In FY 2021, the Program reviewed 213 new and renewal applications for approval. In addition to the annual application screening process, the Program conducts Quality of Service Reviews of

approved providers that allow the Program to corroborate information submitted in applications, observe credit counseling and debtor education sessions, and review provider records. As of September 30, 2021, there were 84 approved credit counseling agencies and 135 approved debtor education providers.

As noted in Figure 6, debtors primarily elect to take their credit counseling and debtor education via the Internet, although services also are available by telephone or in-person in many districts. These services are available at an average combined cost of less than \$40. In addition, around eight percent of services are provided at no or reduced cost.

U.S. TRUSTEE PROGRAM NATIONWIDE OFFICE LOCATOR

Please visit our Web site at www.justice.gov/ust for office phone numbers and addresses.

EXECUTIVE OFFICE FOR U.S. TRUSTEES

Washington, D.C.

REGIONS, JUDICIAL DISTRICTS, AND FIELD OFFICES

Region 1

District of Massachusetts
Boston
Worcester

District of Maine
Portland

District of New Hampshire
Concord

District of Rhode Island
Providence

Region 2

Southern District of New York
New York

Eastern District of New York
Central Islip

Northern District of New York
Albany
Utica

Western District of New York
Buffalo
Rochester

District of Connecticut
New Haven

District of Vermont
Covered by the Albany
office

Region 3

Eastern District of Pennsylvania
Philadelphia

Middle District of Pennsylvania
Harrisburg

Western District of Pennsylvania
Pittsburgh

District of Delaware
Wilmington

District of New Jersey
Newark

Region 4

District of South Carolina
Columbia

District of Maryland
Baltimore
Greenbelt

Eastern District of Virginia
Alexandria
Norfolk
Richmond

Western District of Virginia
Roanoke

Southern District of West Virginia
Charleston

Northern District of West Virginia
Covered by the Charleston
office

District of Columbia
Covered by the Alexandria
office

Region 5

Eastern District of Louisiana
New Orleans

Middle District of Louisiana
Covered by the New
Orleans office

Western District of Louisiana
Shreveport

Southern District of Mississippi
Jackson

Northern District of Mississippi
Covered by the Jackson
office

Region 6

Northern District of Texas
Dallas

Eastern District of Texas
Tyler

Region 7

Southern District of Texas
Houston
Corpus Christi

Western District of Texas
Austin
San Antonio

Region 8

Western District of Tennessee
Memphis

Middle District of Tennessee
Nashville

Eastern District of Tennessee
Chattanooga

Eastern District of Kentucky
Lexington

Western District of Kentucky
Louisville

Region 9

Northern District of Ohio
Cleveland

Southern District of Ohio
Cincinnati
Columbus

Eastern District of Michigan
Detroit

Western District of Michigan
Grand Rapids

Region 10

Southern District of Indiana
Indianapolis

Northern District of Indiana
South Bend

Central District of Illinois
Peoria

Southern District of Illinois
Covered by the Peoria office

Region 11

Northern District of Illinois
Chicago

Eastern District of Wisconsin
Milwaukee

Western District of Wisconsin
Madison

Region 12

Northern District of Iowa
Cedar Rapids

Southern District of Iowa
Des Moines

District of Minnesota
Minneapolis

District of North Dakota
Covered by the Minneapolis
office

District of South Dakota
Covered by the Des Moines
office

Region 13

Western District of Missouri
Kansas City

Eastern District of Missouri
St. Louis

District of Nebraska
Omaha

Eastern District of Arkansas
Little Rock

Western District of Arkansas
Covered by the Little Rock
office

Region 14

District of Arizona
Phoenix

Region 15

Southern District of California
San Diego

District of Hawaii
Honolulu

District of Guam
Covered by the Honolulu
office

District of the Northern Mariana Islands
Covered by the Honolulu
office

Region 16

Central District of California
Los Angeles
Riverside
Santa Ana

Region 17

Northern District of California
San Francisco
San Jose

Eastern District of California
Fresno
Sacramento

District of Nevada
Las Vegas
Reno

Region 18

Western District of Washington
Seattle

Eastern District of Washington
Spokane

District of Oregon
Portland
Eugene

District of Idaho
Boise

District of Montana
Great Falls

District of Alaska
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Region 19

District of Colorado
Denver

District of Utah
Salt Lake City

District of Wyoming
Cheyenne

Region 20

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Wichita

District of New Mexico
Albuquerque

Northern District of Oklahoma
Tulsa

Western District of Oklahoma
Oklahoma City

Eastern District of Oklahoma
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Region 21

Northern District of Georgia
Atlanta

Middle District of Georgia
Macon

Southern District of Georgia
Savannah

Northern District of Florida
Tallahassee

Middle District of Florida
Orlando
Tampa

Southern District of Florida
Miami

District of Puerto Rico
San Juan

District of the Virgin Islands
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