

Title:

What Is Debtor Education?

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567

Summary:

Bankruptcy Post-Filing Debtor Education

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Article Body:

A debtor education course by an approved provider should include information on developing a budget, managing money, using credit wisely, and other resources. Like pre-filing counseling, debtor education may be provided in person, on the phone, or online. The debtor education session might last longer than the pre-filing counseling - about two hours - and the typical fee is between \$50 and \$100. As with pre-filing counseling, if you are unable to pay the session fee, you should seek a fee waiver from the debtor education provider.

Once you have completed the required debtor education course, you should receive a certificate as proof. This certificate is separate from the certificate you received after completing your pre-filing credit counseling. Check the U.S. Trustee's website to be sure that you receive the certificate from a debtor education provider that is approved in the judicial district where you filed bankruptcy. Unless they have disclosed a charge to you before the counseling session begins, debtor education providers may not charge an extra fee for the certificate.

Important Questions to Ask When Choosing a Credit Counselor

It's wise to do some research when choosing a credit counseling organization. If you are in search of credit counseling to fulfill the bankruptcy law requirements, make sure you receive services only from approved providers for your judicial district. Once you have the list of approved organizations in your judicial district, call several to gather information before you make your choice. Some key questions to ask are:

What services do you offer?

Will you help me develop a plan for avoiding problems in the future?

What are your fees?

What if I can't afford to pay your fees?

What qualifications do your counselors have? Are they accredited or certified by an outside organization? What training do they receive?

What do you do to keep information about me (including my address, phone number, and financial information) confidential and secure?

How are your employees paid? Are they paid more if I sign up for certain services, if I pay a fee, or if I make a contribution to your organization?

For More Information and Assistance

The U.S. Trustee Program promotes integrity and efficiency in the nation's bankruptcy system by enforcing bankruptcy laws, providing oversight of private trustees, and maintaining operational excellence. The Program has 21 regions and 95 field offices, and oversees the administration of bankruptcy in all states except Alabama and North Carolina.

If you have concerns about approved credit counseling agencies or debtor education course providers, such as the failure to provide adequate service, please contact the U.S. Trustee Program by email, or in writing at Executive Office for U.S. Trustees, Credit Counseling and Debtor Education Unit, 20 Massachusetts Avenue, N.W., Suite 8000, Washington, D.C., 20530. Provide as much detail as you can, including the name of the credit counseling organization or debtor education course provider, the date of contact, and whom you spoke with.

The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a complaint or to get free information on consumer issues contact the FTC toll-free, 1-877-FTC-HELP (1-877-382-4357). The FTC enters Internet, telemarketing, identity theft, and other fraud-related complaints into Consumer Sentinel, a secure online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.