BANKRUPTCY BY-PASS PROGRAM

Frequently Asked Questions (FAQ)

Thank you for participating in the Bankruptcy By-pass Program. If you still have questions, please read these FAQ's before you call our office:

Did I file "bankruptcy bypass"?

No. You have NOT filed for bankruptcy and have not filed anything with the court at all. Bankruptcy By-Pass means that a volunteer lawyer has looked at your financial situation and determined that you are "collection proof." This means that none of your income or property can be taken by a creditor.

What does "collection proof" mean?

Usually when a creditor files a lawsuit against you and gets a money judgment, the creditor can garnish your wages, take money from your bank account, or place a lien against any property—like a home—that you own. The creditor can still sue you and get a judgment—it just cannot collect on the judgment.

Will I always be "collection proof"?

You will be "collection proof" as long as your commingled accounts (like Social Security or unemployment) cannot be garnished and you have no other money or property that can be taken by a creditor. If you start working, you may have wages that can be garnished. If you win the lottery, then there will be money for your creditor to take. If this happens, contact the Maryland Volunteer Lawyers Service.

My creditors keep calling, and I keep getting letters. What do I do now?

Keep track of calls in your Creditor Log. Send any letters from creditors to MVLS. We will re-send letters to your creditors reminding them that you are "collection proof" and ask them to stop contacting you.

A creditor just called and told me they would take everything I had. I just received a letter that stated I have been sued and have to go to court. The creditor is threatening that I will go to jail! What do I do now?

Contact MVLS right away. If your situation has NOT changed, you are still "collection proof." A creditor can file a lawsuit against you and may receive a judgment in their favor but if all of your income is exempt from garnishment, the judgment will have no effect. If the creditor is threatening that you will go to jail, make notes on your call log about the call and contact MVLS right away.

I have spoken with a Maryland Volunteer Lawyers Service lawyer many times, in person and over the phone. Is that person my lawyer?

No. This program is to help you with your financial situation through review and consultation. MVLS does not represent you.

Remember:

- You have not filed bankruptcy.
- Send your collection letters to MVLS.
- If creditors threaten you with a lawsuit or jail, call MVLS right away.
- If your financial situation changes, call MVLS.