IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF KANSAS STANDING ORDER NO. 17-2 <u>AUTHORITY TO USE BAR REGISTRATION AND DISCIPLINARY FUNDS FOR</u> <u>BANKRUPTCY MEDIATION ONE-YEAR PILOT PROGRAM</u>

The Bankruptcy Court and District Court Bench Bar Committees have recommended the adoption of this Order to use up to \$10,000 of Bar Registration and Disciplinary Funds to create a one-year pilot program that will subsidize the mediation expenses of litigants who, although not necessarily proceeding *in forma pauperis*, are without adequate funds to pay bankruptcy mediation expenses themselves. In consideration of the foregoing, and pursuant to <u>D. Kan.</u> <u>Rule 83.1.2(a)</u>, <u>D. Kan. Rule 83.5.3</u>, D. Kan. LBR 9019.2, and District of Kansas Standing Order 17-1 (Aug. 21, 2017), the Court orders that the following changes to D. Kan. LBR 9019.2 be deemed for the period of the pilot beginning January 1, 2018, and ending December 31, 2018:

D. Kan. LBR 9019.2:

(a) General Guidelines for Alternative Dispute Resolution Processes. [no change]

(b) Payment Procedures for Court-Approved Mediation in Bankruptcy Cases One-Year Pilot Program.

(1) Allowable Expenses. Allowable expenses include the cost of the mediation session at the rate negotiated by counsel and the mediator, plus mileage expenses if the mediator is required to travel, that the party is unable to pay, and that are not otherwise recovered in the action. The mediator's negotiated fee (including mileage) shall be divided equally between the parties unless otherwise agreed to and approved by the court. (2) Payment Procedure. To qualify for payment, the mediation, as well as all expenditures, must be approved in advance by the court. Before incurring any reimbursable expense, the party must:

(A) complete a form, which is available from the clerk; and

(B) secure the requisite prior approval, in writing, by the

bankruptcy judge to whom the case is assigned and, when required, by the chief bankruptcy judge.

(3) Who Must Approve Expenditures. The presiding judge may approve expenditures that total less than \$750, for the entire mediation. The chief judge of the court must approve expenditures that reach or exceed \$750.
(4) Amount of Payment. The District Court Clerk will pay the mediator such amount as the court approves.

(5) Any payment from the Bar Fund must be repaid if money is recovered in the settlement, unless waived by the court. IT IS SO ORDERED this 10th day of September, 2017.

<u>s/ Janice Miller Karlin</u> JANICE MILLER KARLIN Chief Judge

<u>s/ Robert E. Nugent</u> ROBERT E. NUGENT III Judge

<u>s/ Dale L. Somers</u> DALE L. SOMERS Judge

<u>s/ Robert D. Berger</u> ROBERT D. BERGER Judge

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF KANSAS

STANDING ORDER NO. 17-1 AUTHORITY TO USE BAR REGISTRATION AND DISCIPLINARY FUNDS FOR BANKRUPTCY MEDIATION ONE-YEAR PILOT PROGRAM

The Bankruptcy Court and District Court Bench Bar Committees have recommended the adoption of this Order to use up to \$10,000 of Bar Registration and Disciplinary Funds to create a one-year pilot program that will subsidize the mediation expenses of litigants who, although not necessarily proceeding *in forma pauperis*, are without adequate funds to pay bankruptcy mediation expenses themselves. In consideration of the foregoing, and pursuant to <u>D. Kan. Rule 83.1.2(a)</u>, the Court orders that the following changes to <u>D.Kan. Rule 83.5.3</u> be deemed for the period of the pilot beginning January 1, 2018 and ending December 31, 2018,

D. Kan. Rule 83.5.3:

(e) **Disbursements.** Disbursements from the Bar Registration and Disciplinary Fund are permitted only for the following purposes:

- (1) [no change]
- (2) [no change]

(3) As set forth in paragraph (g) of this rule and D. Kan. LBR 9019.2(b), to pay mediators in bankruptcy cases for approved expenditures that the party is unable to pay and that are not otherwise recovered in the action. (3)(4) [no change]

(4)(5) [no change]

(f) Reimbursement Procedures for Court-Appointed Counsel in Civil Cases. [no change]

(g) Reimbursement Procedures for Court-Approved Mediation in Bankruptcy Cases One-Year Pilot Program.

(1) Allowable Expenses. Allowable expenses include the cost of the mediation session at the rate negotiated by counsel and the mediator, plus mileage expenses if the mediator is required to travel, that the party is unable to pay, and that are not otherwise recovered in the action. The mediator's negotiated fee (including mileage) shall be divided equally between the parties unless otherwise agreed to and approved by the court. (2) Payment Procedure. To qualify for payment, all expenditures must be approved in advance by the bankruptcy court. Before incurring any reimbursable expense, the party must:

(A) complete a reimbursement form, which is available from the bankruptcy clerk; and

(B) secure the requisite prior approval, in writing, by the bankruptcy judge to whom the case is assigned and, where required, by the chief bankruptcy judge.

(3) Who Must Approve Expenditures. The presiding bankruptcy judge may approve expenditures that total less than \$750 for the entire mediation. The chief bankruptcy judge must approve expenditures that reach or exceed \$750.
(4) Amount of Payment. The District Court Clerk will pay mediators such amount as the court approves.
(5) Any payment from the Bar Registration and Disciplinary Fund must be repaid if money is recovered in the settlement, unless waived by the court.
(g)(h) Suspension. [no change]
(h)(i) Reinstatement. [no change]
(i)(j) Criminal Charges, Potential Criminal Charges, and Disciplinary Proceedings. [no change]

IT IS SO ORDERED.

Dated this 21st day of August, 2017.

<u>s/ Julie A. Robinson</u> JULIE A. ROBINSON CHIEF UNITED STATES DISTRICT JUDGE