## UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF OHIO EASTERN DIVISION

|                    | ) CHAPTER 7              |
|--------------------|--------------------------|
| IN RE:             | )<br>) CASE NO. 05-64060 |
| VICKI ELAINE HULL, | ) CASE NO. 03-04000      |
| Debtor.            | ) JUDGE RUSS KENDIG      |
| Debtoi.            | )                        |
|                    | ) MEMORANDUM OPINION     |

This matter comes before the court upon a motion for attorney fees filed by William Bringman (hereinafter "Attorney Bringman") as attorney for Vicki Elaine Hull (hereinafter "Debtor"). For the reasons that follow, the fees requested must be reduced.

The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334, 157, and the general order of reference entered in this district on July 16, 1984. This is a core proceeding over which the court has jurisdiction pursuant to 28 U.S.C. § 157(b)(2). Venue in this district and division is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

#### **FACTS**

Debtor filed her chapter 7 petition on July 14, 2005. Her statement of financial affairs, schedules, and statement of intention were filed ten days later. On July 25, 2005, Attorney Bringman filed a disclosure of compensation as required by 11 U.S.C. § 329(a), which stated that he received \$150.00 prior to the commencement of Hull's case, with services rendered thereafter to be compensated at a rate of \$150.00 per hour. Since this is not in line with the presumptive \$850.00 fee for chapter 7 cases in place at the time of filing, the court issued an order requiring fee explanation. Counsel filed his response on November 11, 2005, and seeks \$1,487.50 in fees and \$212.14 in expenses. Attorney Bringman filed a detailed list of time and expenses which includes 595 minutes (approximately 9.9 hours) of time billed at \$150.00 per hour. The expenses included in Attorney Bringman's motion include the \$209.00 filing fee and \$3.14 for postage and copies.

#### **DISCUSSION**

Sections 329 and 330 limit compensation in a bankruptcy case to the reasonable value of the actual and necessary services completed by an attorney. 11 U.S.C. § 329; 11 U.S.C. § 330. If the compensation paid or agreed to be paid exceeds the reasonable value of the services, the court may order the return of any excessive payments to the bankruptcy estate. 11 U.S.C. § 329(b).

In the consumer bankruptcy arena, attorneys must operate primarily within the confines of fixed fees. See In re Murray, 330 B.R. 732 (Bankr. E.D. Wis. 2005). Because legal fees are subject to court approval, many courts have instituted presumptive or "no look" fees, which are generally approved without itemization of services rendered. Id. at 733. For a chapter 7 case filed in this court prior to October 17, 2005, the presumptive fee is \$850.00 and assumes an ordinary basket of normal, ordinary, and fundamental services of the chapter 7 process that is provided to a typical debtor. In re Castorena, 270 B.R. 504 (Bankr. D. Idaho 2001). Such services usually include, in the local area and beyond, pre-bankruptcy consultation, schedule preparation, representation of debtor at the meeting of creditors, reaffirmation agreement review, and other similar tasks. Castorena, 270 B.R. at 526-7; In re Egwin, 291 B.R. 559, 573 (Bankr. N.D. Ga. 2003) (stating that fundamental obligations included in presumptive fee include representation in regards to reaffirmation, but that defending or initiating adversary proceedings are not included). If an attorney seeks compensation beyond the presumptive fee the attorney bears the burden of establishing the reasonableness of that fee. In re Mahendra, 131 F.3d 750, 757 (7<sup>th</sup> Cir. 1997); In re Mondie Forge, 154 B.R. 232, 237 (Bankr. N.D. Ohio 1993).

In this case, Attorney Bringman cannot establish the reasonableness of the \$1,487.50 fee. Simply because an attorney expends a certain amount of time on an issue does not mean that the time spent is reasonable. <u>In re Huber</u>, 1999 Bankr. LEXIS 1902 (Bankr. C.D. Ill. 1999). If the facts and circumstances of the case do not merit the time expended, the fee is not reasonable. In this case, the fee requested is not reasonable in light of the uncomplicated nature of Debtor's case. There are no real assets, no priority creditors, and no issues of nondischargeability. This is a simple case involving one secured creditor, eight unsecured creditors, and the reaffirmation agreement involved in this case was prepared by the attorney for the creditor. Attorney Bringman's billing detail describes activities that are all normal, fundamental chapter 7 services, including pre-petition office conferences, filing papers with the court, attending the 341 hearing, and reviewing the reaffirmation agreement. Simply because Attorney Bringman had to travel to Canton from Fredericktown for the 341 meeting does not equate to an increase in fees.

It appears to the court that the compensation paid or agreed to be paid to Attorney Bringman exceeds the reasonable value because only normal and fundamental services were necessary in this case. Accordingly, Attorney Bringman's compensation shall be reduced to \$850.00. If fees exceeding this amount have already been paid by Debtor, any excess must be disgorged.

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A separate order is issued herewith.

# [s] Russ Kendig

Judge Russ Kendig U.S. Bankruptcy Judge

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### Service List

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