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3 UNITED STATES BANKRUPTCY COURT  
4 EASTERN DISTRICT OF CALIFORNIA  
5 SACRAMENTO DIVISION  
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9 In re ) Case No. 05-40384-A-7  
10 KIRSTEN STRAND, )  
11 Debtor. ) Date: November 13, 2007  
12 ) Time: 9:00 a.m.  
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13 On November 13, 2007 at 9:00 a.m., the court considered the  
14 chapter 7 trustee's objections to the debtor's amended  
15 exemptions. The court's ruling is appended to the minutes of the  
16 hearing. Because that ruling constitutes a "reasoned  
17 explanation" of the court's decision, it is also posted on the  
18 court's Internet site, [www.caeb.uscourts.gov](http://www.caeb.uscourts.gov), in a text-  
19 searchable format as required by the E-Government Act of 2002.  
20 The official record, however, remains the ruling appended to the  
21 minutes of the hearing.

22 **FINAL RULING**

23 The objection will be sustained in part.

24 The trustee objects to the debtor's amended claim of  
25 exemption, filed on September 6, 2007, with respect to three  
26 worker's compensation claims. The grounds for the objection are  
27 that:

28 (1) the debtor did not disclose her workers' compensation  
claims in her schedules filed on November 8, 2005;

(2) the debtor did not disclose the workers' compensation  
claims in a questionnaire given to the debtor by the trustee  
at the meeting of creditors; and

1 (3) the debtor cannot "stack" her exemption claims, given  
2 that her other exemption claims are under Cal. Civ. Proc.  
3 Code §§ 703.010-703.150, whereas the workers' compensation  
4 exemptions are pursuant to Cal. Civ. Proc. Code §§ 704.160.

5 Also, in the event the court allows the debtor's workers'  
6 compensation exemptions, the estate seeks recovery of its fees  
7 and costs in attempting to extract information from the debtor  
8 about the workers' compensation claims. Although the trustee  
9 learned about the claims at the creditors' meeting back in  
10 November 2005, the debtor has been refusing to provide  
11 information about the claims. As a result, the trustee has had  
12 to retain counsel.

13 The debtor opposes the objection, arguing that:

14 (1) she has not concealed information about her workers'  
15 compensation case; at the creditors' meeting, she provided  
16 information to the trustee about the workers' compensation  
17 case;

18 (2) the exemption of the workers' compensation claims  
19 implicates Cal. Civ. Proc. Code § 704.160 and not Cal. Civ.  
20 Proc. Code §§ 703.040-703.140; "a claim for workers'  
21 compensation or workers' compensation awarded or adjudged is  
22 exempt without making a claim;" Cal. Civ. Proc. Code §  
23 704.160;

24 (3) the trustee's objection lacks integrity because she  
25 disclosed the workers' compensation case to him at the  
26 meeting of creditors.

27 The court has reviewed the records supplied by both parties.

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1 First, the debtor clearly states she disclosed information  
2 about her workers' compensation case to the trustee at her  
3 meeting of creditors. The trustee does not dispute this, but he  
4 simply refers to the debtor's failure to answer a question on a  
5 questionnaire about existing or potential litigation. Stating  
6 that the debtor did not disclose information about her workers'  
7 compensation case based on this is disingenuous. She did  
8 disclose it orally at the meeting.

9 Second, the trustee's motion is not accurate in stating that  
10 neither the debtor nor her counsel have been cooperative. The  
11 debtor's workers' compensation counsel, Mr. Solorio, sent a  
12 letter to the trustee, dated May 4, 2007, with substantial  
13 information about the debtor's workers' compensation case,  
14 including estimated recovery.

15 The remainder of the letters between the trustee and Mr.  
16 Solorio reflect personal hostilities between them. On one hand,  
17 the trustee's approach and attitude toward Mr. Solorio, an  
18 attorney who is seemingly not familiar with bankruptcy law,  
19 appears to have been hostile and unhelpful to the desired  
20 disclosure of information. Also, given all the trustee's letters  
21 to Mr. Solorio and the debtor, the court is perplexed as to why  
22 the trustee did not move for a 2004 examination together with a  
23 production of documents. On the other hand, while Mr. Solorio  
24 may not have been familiar with bankruptcy law, he could have  
25 easily ascertained the merits of the trustee's allegations with a  
26 little legal research.

27 The court will not award shift fees from the trustee to the  
28 debtor based on these facts.

1 Third, even though the debtor may have verbally communicated  
2 information about her workers' compensation case to the trustee  
3 at the meeting of creditors, the debtor has a duty to amend her  
4 Schedule B and statement of financial affairs, to reflect the  
5 workers' compensation case as an asset in her estate. The debtor  
6 must also cooperate with the trustee, to enable the trustee to  
7 determine whether her exemption claims have merit. The trustee  
8 cannot just "take the debtor's word" that her exemption claims  
9 are valid. See 11 U.S.C. § 521(a)(1), (3), (4).

10 Lastly, the debtor cannot "stack" her exemptions. This  
11 means that the debtor has to choose the set of exemptions she  
12 will be using, Cal. Civ. Proc. Code §§ 703.010-703.150 or §§  
13 704.010-704.850. See Cal. Civ. Proc. Code § 703.140(a); see  
14 e.g., In re Nygard, 55 B.R. 623, 624 (Bankr. E.D. Cal. 1985).  
15 The debtor cannot use some exemptions from one set of the  
16 statutes and some exemptions from the other set of the statutes.  
17 The debtor's original Schedule C claims exemptions pursuant to  
18 Cal. Civ. Proc. Code §§ 703.010-703.150. Hence, the debtor  
19 cannot claim an exemption of her workers' compensation case  
20 pursuant to Cal. Civ. Proc. Code § 704.160.

21 Accordingly, the objection will be sustained on this basis  
22 alone. However, this is without prejudice to the debtor's  
23 further amendment of her exemptions.  
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