# UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF WASHINGTON

In re:	)	
	)	GENERAL ORDER
AMENDMENTS TO LOCAL	)	
BANKRUPTCY RULES 1006-1,	)	No. 15-02
2083-1, AND 5005-3	)	
	)	

Pursuant to the General Order of the United States District Court for the Eastern District of Washington dated March 6, 1996, FRBP 8018 and 9029, FRCP 83, and 28 U.S.C. §2071, the following local rules are amended and/or adopted as set out in the attachments hereto:

- 1. LBR 1006-1 Filing Fee
- 2. LBR 2083-1 Chapter 13 General
- 3. LBR 5005-3 Electronic Filing

The amendments to the aforementioned local bankruptcy rule shall be effective August 1, 2015, and shall govern all pending matters, except to the extent, in the opinion of the court, application of the change would not be feasible or would work an injustice, in which event, the procedure set forth in the former shall apply.

DATED: 7/30/2015

FOR THE COURT:

Honorable Frederick P. Corbit, Chief Judge

Honorable Frank L. Kurtz Honorable John A. Rossmeissl

#### Rule 1006-1

#### **Filing Fee**

## (a) Payment of Filing Fee in Installments

All applications to pay filing fees in installments shall be filed using *Official Form B 3A*, *Application for Individuals to Pay the Filing Fee in Installments*. the prescribed form (B3A). Seventy-five dollars (\$75) of the filing fee shall be due at the time the petition is filed for debtors applying to pay the filing fee in installments. The court will enter an order or set the matter for hearing.

## (b) Waiver of Filing Fee

All applications to waive the Chapter 7 filing fee shall be filed using Official Form B 3B, Application to Have the Chapter 7 Filing Fee Waived. Objections to an application to waive the Chapter 7 filing fee shall be filed no later than seven (7) days following the conclusion of the meeting of creditors. The court will enter an order or set the matter for hearing. An order granting an application for waiver of the Chapter 7 filing fee may be reconsidered and vacated by the court on its own motion or on motion of a party in interest if developments in the case show that the waiver was not warranted at the time of the application or that factors leading to the initial waiver no longer exist.

#### **Related Provisions**

FRBP 1006 Filing Fee

11 USC 105(a) Power of Court

28 USC 1930 Bankruptcy Fees

LBR 1006-1 AUGUST 1, 2013

#### Rule 2083-1

#### **Chapter 13 - General**

## (a) Applicability

This rule shall apply only to cases under Chapter 13 of the Bankruptcy Code.

# (b) Filing the Plan and Other Documents

- (1) The debtor shall file the following documents separately using the prescribed local forms:
  - (A) Chapter 13 Plan (LF 2083)
  - (B) Plan Payment Declaration (LF 2083A)
  - (C) Plan Funding Analysis (LF 2083B)
  - (D) Liquidation Analysis (LF 2083C)
- (2) A Certificate of Debtor's/Debtors' Attorney and Debtor(s) Regarding Payments to and Disbursements by the Chapter 13 Trustee (LF 2083-1F) shall be filed as a separate document.

## (c) Mailing of Plan to Parties in Interest

A copy of the plan required to be provided to all creditors pursuant to FRBP 3015(d) shall be as directed by the Clerk of Court. Notice of modifications and copies required to be sent to all creditors shall be provided by the party making the modification in accordance with subsection (k) of this rule.

## (d) Valuation of Security, Determination of Extent of Lien, and Lien Avoidance

- (1) Valuation of claims secured by a lien on property in which the estate has an interest shall be by a separate motion pursuant to LBR 3012-1. The order valuing the claim voids the lien to the extent of the unsecured portion of the claim pursuant to § 506(d) of the Code. In the event of dismissal of the case prior to discharge, this voided lien will be reinstated pursuant to § 349(b)(1)(C) of the Code unless otherwise ordered.
- (2) All actions to determine the validity, priority or, other than (1) above, the extent of a lien, shall be made by Adversary Proceeding, however, such relief may also be sought in an objection to allowance of claim pursuant to LBR 3007-1.
- (3) Actions to avoid judicial or non-possessory non-purchase money security interests under § 522(f) of the Code shall be by a separate motion pursuant to LBR 4003-2.

#### Rule 5005-3

## **Electronic Filing**

## (a) Scope of Electronic Filing

- (1) The electronic filing of a document constitutes filing of the document for all purposes, including those of the Federal Rules of Bankruptcy Procedure and Local Rules.
- (2) Documents filed in paper will be converted into an electronic format.

#### (b) Official Record of the Court

The official record of the Court includes all documents filed electronically, filed in paper and converted to an electronically filed format, filed in paper and not converted to electronic format and text-only entries. Text-only entries are text contained in the docket entry and for which there is no separate electronically recorded image.

## (c) Mandatory Electronic Filing

- (1) All attorneys, including but not limited to examiners, trustees, Office of the United States Trustee, Office of the United States Attorney and any other entity as the clerk deems appropriate are required to file documents electronically.
- (2) Electronic filing privileges shall only be granted to attorneys admitted to practice in the United States District Court for the Eastern District of Washington. Other entities are granted filing privileges for limited purposes.

## (d) Exception to File Documents Electronically

- (1) Pro se debtors, non-attorney entities that have filed fewer than 3 12 documents during the most recent 12-month period and entities that have been granted a waiver from filing electronically are excepted from filing a document electronically.
- (2) Documents filed under seal shall be in accordance with LBR 9018-1.

## (e) Waiver of Requirement to File Documents Electronically

- (1) Any entity that is required to file documents electronically may request a waiver of that requirement by submitting a Request for Waiver From Electronic Filing on the prescribed form.
- (2) A separate waiver must be filed for each case or adversary proceeding for which a waiver is desired.

(3) Any entity that is required to file documents electronically and that has not been granted a waiver or has an unresolved waiver request pending that files a document non-electronically is subject to sanctions as may be imposed by the Court or to having the document stricken unless, after notification, the document is promptly re-filed electronically or a waiver is requested.

## (f) Signatures

- (1) All pleadings and other documents requiring signatures filed electronically shall either contain a scanned image of any signature(s) therein or,
  - (A) indicate the signature by putting "/s/ Jane Doe" on the signature line, or
  - (B) affixing an electronically produced signature to the document.
- (2) Documents Signed under Penalty of Perjury or Under Oath
  - (A) Where a scanned image of a signature conventionally signed under penalty of perjury is not displayed on the document electronically filed, the filing party shall file with the Court as a separate document a statement that the signature was witnessed and by whom.
  - (B) The filing party shall retain the document containing the written signature, or a copy made in the ordinary course of business as described in 28 USC § 1732, for a period of not less than five (5) years, the maximum allowable time to complete any appellate process, or the case or adversary proceeding is closed, whichever is later, and shall produce the document upon order of the Court, or a copy made in the regular course of business as described above.
- (3) The electronic filing of a document shall constitute the signature of that party for all purposes for which a signature is required in connection with proceedings before the Court, including FRBP 9011. Where an electronically produced signature is used, the electronically produced signature is the signature for all purposes, including orders of the Court.

Where a document is filed electronically that was initially signed conventionally, the submission of that document constitutes a signature and will have the same force and effect as a written signature for all purposes, including FRBP 9011.

The signature on a document filed in paper when converted to an electronic format by the Court, will likewise constitute a signature and will have the same force and effect as a written signature for all purposes, including FRBP 9011.

## (g) Court Retention of Records

Where a document filed in paper is converted to an electronic format by the Court, the document will be retained only so long as required to ensure that the information has been transferred to the Court's database.

## (h) Technical Failures

Appropriate relief under FRBP 9006 may be sought from the Court where an electronic filing is made untimely as the result of a technical failure of the Court.

## (i) Cases Filed in Error

If a case is filed in error, or in duplicate, the filing party shall notify the clerk's office immediately.

## (j) Documents

- (1) Combined motions shall be identified by selecting appropriate docket events.
- (2) A single docket event shall not be used to file more than one document, except when otherwise allowed by local or national rules.

#### **Related Provisions**

FRBP 5005 FRBP 9006	Filing and Transmittal of Papers Computing and Extending Time
LBR 5005-1 LBR 9018-1	Filing Requirements Secret, Confidential, Scandalous, or Defamatory Matter
28 USC 1732	Record made in regular course of business; photographic copies
	Administrative Procedures for Filing and Verifying Documents by Electronic Means

LBR 5005-3 AUGUST 1, 2011

## (e) Delinquent Tax Returns

A statement as to whether or not the debtor is delinquent in the filing of any tax return shall be included in the plan as well as a statement as to when any delinquencies in filing will be cured.

## (f) Treatment of Secured Creditors Secured by Real Property

- (1) If at the time of the filing a petition for relief, a delinquency exists on any payments for debt secured by real property, then all payments, both current and delinquent, for such debt shall be paid through the office of the Chapter 13 trustee.
- (2) If during the pendency of the plan a debt secured by real property falls into arrearage, then the plan may be modified pursuant to subsection (l) of this rule to require payments, both current and delinquent, to be paid through the office of the Chapter 13 trustee.
- (3) If during the pendency of the plan arrearages are brought current, then the plan may be modified to allow for payments to be made directly to the creditor by the debtor.

## (g) Funding of Plan by Sales

- (1) If the debtor proposes to partially fund the plan through the sale of property of the estate, then the debtor must also file a marketing plan with the plan. The marketing plan shall include:
  - (A) A description of the property to be sold;
  - (B) Identification of all lien holders and the amount of each lien;
  - (C) If a broker is to be employed, the name of the broker and when the property was or will be listed;
  - (D) The terms of the broker's agreement;
  - (E) The price sought for the property;
  - (F) The method used in arriving at the value of the property; and
  - (G) The time frame, including mileposts where appropriate, during which the property will be marketed.
- (2) The debtor shall provide quarterly status reports to the Chapter 13 trustee.

#### (h) Challenges to Eligibility of Debtor

Challenges to the eligibility of the debtor should be initiated at the earliest possible time in the case. Such challenges may be made by fourteen (14) days' notice and hearing to the Master Mailing List pursuant to LBR 2002-1.

## (i) Objections to Confirmation

In order to be timely, objections to confirmation of a plan shall be filed and served on the Chapter 13 trustee and the debtor and debtor's attorney no later than seven (7) days prior to the hearing on confirmation.

#### (j) Confirmation

- (1) **Upon resolution of all objections, T** the trustee shall file as soon as practicable an unsworn statement under penalty of perjury stating whether the plan is feasible and satisfies the requirements of §1325(a)(1),(4) and (5) of the Code.
- (2) The court will prepare the confirmation order.

## (k) Modification of Plans

(1) Modification Prior to Confirmation

Modifications made pursuant to § 1323 of the Code shall be on twenty-one (21) days' notice and hearing in accordance with LBR 2002-1. A plan shall not be confirmed until the time to object to any such modification has expired and all objections resolved.

#### (2) Modification After Confirmation

- (A) A modification proposed by any entity other than the debtor shall be on twentyone (21) days' notice and hearing to any adversely affected party, the Chapter 13 trustee, debtor and debtor's attorney. The modification shall become effective upon the expiration of the time to file objections, if there are no objections, or upon resolution of all objections made.
- (B) A modification proposed by the debtor shall be on twenty-one (21) days' notice and hearing to the Chapter 13 trustee and any adversely affected party, and if the modification provides for payment of a post-petition debt, the holder of such debt. The modification shall become conditionally effective upon the filing and service of the notice. The modification shall become permanent upon the expiration of the time to file objections if no objections are timely made or upon resolution of all objections made.

## (3) Effect of Disallowance of Modifications

If a proposed modification is disallowed, the plan in effect immediately prior to such modification shall be the plan, and debtor shall be responsible for curing any default occurring during the period of conditional modification.

(4) Modification by Stipulation Between Chapter 13 Trustee and Debtor

The Chapter 13 trustee and the debtor may stipulate to a modification before or after confirmation where no parties are adversely affected. Such modifications shall be effective upon the filing of the stipulation.

(5) The debtor shall file an amended Plan Funding Analysis (LF 2083B) upon the making or proposing of a modification pursuant to subparagraph (k)(1) or (2) of this rule.

## (l) Payments To and Distributions By Chapter 13 Trustee

(1) Payments to Chapter 13 Trustee

The debtor shall make all pre- and post-confirmation payments on obligations for leases of personal property and obligations owed to a creditor that has a security interest in personal property to the Chapter 13 trustee including all obligations provided by § 1326(a)(1) of the Code, as well as obligations secured by real property as required by sub-paragraph (f) of the rule, unless otherwise ordered by the court.

(2) Filing Fee Installments

Installment payments of filing fees where allowed shall be paid directly to the Clerk, however, if such fees are received by the Chapter 13 trustee, the Chapter 13 trustee may return them to the payor or deliver them to the Clerk without further order of the Court.

(3) Distributions by Chapter 13 Trustee Based on Modifications

Distributions may be made by the Chapter 13 trustee in accordance with a conditional modification until such modification becomes permanent, is disallowed or otherwise ordered, and the Chapter 13 trustee is served with a copy of such order by the objecting party.

(4) Post-petition Claims

Proofs of claim filed pursuant to § 1305(a)(1) of the Code for post-petition tax claims may be paid without a modification to the plan, however, proofs of claim filed pursuant to § 1305(a)(2) of the Code for consumer debt may only be paid if a modification to the plan so provides.

## (5) Disposition of Funds on Conversion or Dismissal

- (A) On the conversion or dismissal of a case, the Chapter 13 trustee shall, as soon as practicable, disburse any remaining funds in accordance with § 1326 of the Code. If a motion is filed pursuant to § 348(f)(2) of the Code and the trustee is served a copy thereof prior to disbursement, then the Chapter 13 trustee shall not further disburse until resolution of the motion.
- (B) If a case is dismissed or converted prior to confirmation, then the Chapter 13 trustee shall be entitled to deduct and retain as reimbursement for set up and maintenance costs an amount as established by the Court.

## (6) Pre-Confirmation Distributions

The Chapter 13 trustee is authorized to make distributions prior to the confirmation of the plan on obligations for leases of personal property, and on obligations secured by personal or real property. Such pre-confirmation distributions shall be made in the sequence and in the amount set forth in the debtor's plan. If the Trustee has insufficient funds on hand to make the distributions to all classes, the funds will be distributed as provided in the plan to the extent the funds are available. Claims within a particular class which cannot be paid the proposed distribution shall be paid a pro rata share of the funds available. On each such distribution, the Chapter 13 trustee will be entitled to an administrative fee equivalent to that authorized by § 1326(b) of the Code. Upon confirmation of the plan, payments will be made as set forth in the plan.

## (m) Post-confirmation Sale of Property by Debtor

If the debtor proposes to sell property pursuant to § 363 of the Code, then, unless the property is fully exempt or is valued in an amount of seven thousand, five hundred (7500) dollars or less, the debtor shall promptly provide to the Chapter 13 trustee an amended statement of income and expenses as prescribed by the appropriate official form projecting any changes occasioned by the sale and a good faith estimate of closing costs or other similar document and any other documents requested by the Chapter 13 trustee relating to such sale.

#### (n) Incurring Credit by Debtor During the Pendency of the Plan

If the debtor proposes to purchase any property involving a credit transaction that may potentially affect the debtor's ability to satisfy the plan, the debtor, in addition to obtaining the Chapter 13 trustee's approval if practicable, shall transmit to the Chapter 13 trustee an amended statement of income and expense as prescribed by the appropriate official form projecting any changes caused by the purchase, and if the transaction involves real estate, a good faith estimate of closing costs or other similar document and any other documents requested by the Chapter 13 trustee.

## (o) Debtors Engaged in Business

Debtors engaged in business shall comply with the applicable provisions of LBR 3016-1(e) and 28 USC 959(b), and serve a copy of the Monthly Financial Report on the trustee.

# (p) Income Directive

- (1) The Chapter 13 trustee may, at any time, issue a Trustee's Income Directive or present an ex-parte order, based upon a proposed or confirmed plan requiring any entity from whom the debtor receives money to pay all or part of such income to the Chapter 13 trustee.
- (2) In any case in which a debtor desires to make plan payments directly to the trustee in lieu of an income directive, the debtor may do so only upon the entry of an order of the court authorizing such direct payments. Such an order will be entered only:
  - (A) After filing of a motion for an order authorizing the debtor to make the plan payments directly to the trustee; and
  - (B) After seven (7) days' notice and hearing to the trustee; and
  - (C) Upon a showing of cause.

## (q) Motion to Dismiss or Convert Case

- (1) A party in interest desiring that a case be dismissed or converted shall give twenty-one (21) days' notice and hearing to the Master Mailing List.
- (2) The Chapter 13 trustee may move the Court for an order of dismissal or conversion on seven (7) days' notice to the debtor and debtor's attorney and any entity that has filed and served the Chapter 13 trustee with a request to receive such notice for failure to timely file schedules or other required documents or attend the meeting of creditors and on twenty-one (21) days' notice for failure to timely make payments required by § 1326(a) of the Code or pursuant to a confirmed plan.
- (3) A debtor shall serve a copy of a request for voluntary dismissal on the trustee.

# (r) Minimum Plan Payments

A plan that proposes payments of less than fifty (50) dollars per month to be paid to the Chapter 13 trustee shall be supported by an affidavit or unsworn declaration under penalty of perjury explaining the necessity of such minimum payments.

# (s) Domestic Support Obligation Certificate

Upon completion of all payments by the debtor under the plan, each debtor shall file a Domestic Support Obligation Certificate as prescribed by the appropriate national form (B 283).

# **Related Provisions**

FRBP 1006	Filing Fees
FRBP 1007	Lists, Schedules, Statements and Other Documents; Time Limits
FRBP 1017	Dismissal or Conversion of Case; Suspension
FRBP 1019	Conversion of a Chapter 11 Reorganization Case, Chapter 12 Family Farmer's
	Debt Adjustment Case, or Chapter 13 Individual's Debt Adjustment Case to a
	Chapter 7 Liquidation Case
FRBP 2002	Notices to Creditors, Equity Security Holders, Administrators in Foreign
	Proceedings, Persons Against Whom Provisional Relief is Sought in Ancillary
	and Other Cross-Border Cases, United States, and United States Trustee
FRBP 2016	Compensation for Services Rendered and Reimbursement of Expenses
FRBP 3007	Objection to Claims
FRBP 3012	Valuation of Security
FRBP 3015	Filing, Objection to Confirmation, and Modification of a Plan in a Chapter 12
11121 0010	Family Farmer's Debt Adjustment or a Chapter 13 Individual's Debt
	Adjustment Case
FRBP 6004	Use, Sale, or Lease of Estate Property
FRBP 9013	Motions; Form and Service
FRBP 9014	Contested Matters
1101 7011	Contested Matters
LBR 2016-1	Compensation of Professionals
LBR 3016-1	Chapter 11 Pre-Confirmation Requirements
LBR 4001-2	Cash Collateral
LBR 4003-2	Lien Avoidance
LBR 9011-1	Attorney Duties
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11 USC 348	Effect of Conversion
11 USC 349	Effect of Dismissal
11 USC 506	Determination of Secured Status
11 USC 522(f)	Avoidance of Liens
11 USC 1304	Debtor Engaged in Business
11 USC 1305	Filing and allowance of post-petition claims
11 USC 1307	Conversion or Dismissal
11 USC 1323	Modification before confirmation
11 USC 1325(c)	Income Directive
11 USC 1326	Payments
11 USC 1329	Modification of plan after confirmation
28 USC 959	Trustees and receivers suable; Management; State Laws
20 000 737	Trustees and receivers suable, irranagement, state Laws