

MEMORANDUM

To: Bankruptcy Practitioners in the Middle District of Georgia

From: Kyle George, Clerk of Court

Subject: Proposed Change to LBR 3007-1 April 15, 2016

NOTE: THIS MEMORANDUM WAS ORIGINALLY ISSUED FOR COMMENTARY ON MARCH 17, 2016.

- 1. Federal Rule of Bankruptcy Procedure (FRBP) 3007, Objections to Claims, provides basic servicing requirements in that objections "will be mailed and delivered to the claimant, the debtor and debtor in possession, and the trustee at least 30 days prior to the hearing." FRBP 7004 [(via FRBP 9014(b)] sets forth specific service requirements for motions in Contested Matters, especially as to a creditor which is the United States (most typically the IRS), a state or municipal corporation, or an insured depository institution.
- 2. Our Local Bankruptcy Rule 3007-1 provides some clarification on service requirements but does not specifically address the United States, states or municipal corporations, or insured depository institutions as creditors.
- 3. The judges of this court recently discussed the need to clarify service requirements for Objections to Claims and propose adopting a local rule for such purpose. The U. S. Bankruptcy Court for the District of Columbia provides a good example of language in a local rule which clarifies service requirements in Objections to Claim and the judges of this court propose to adopt a portion of their Local Rule 3007-1.
- 4. Additionally, to avoid confusion in claim objections and proposed orders concerning which specific claim is being objected to (some creditors have multiple claims in the same case), the judges would like to add a provision to the Local Rules requiring that the Claim Number be placed in the title of the claim objection and proposed order.
- 5. Our current local rule:

LBR 3007-1. Claims - Objections

- (a) <u>Service Required</u>. Objections to claims shall be served pursuant to LBR 9007-1 or LBR 2002-1(e).
- **(b) Proposed Order.** If the respondent to an objection to claim does not file a response within the time specified in the notice of the objection, the objecting party shall promptly send to the Court a proposed E-Order adjusted to the facts alleged in the objection.

6. Our proposed local rule:

LBR 3007-1. Claims - Objections

- (a) Service Required. Objections to claims shall be served pursuant to LBR 9007-1 or LBR 2002-1(e). The objecting party must serve copies of the objection to claim and the papers that must accompany it by mailing the copies to the creditor at the address for notices that appears on the proof of claim or transfer of claim. If the attorney for the creditor has appeared in the case, the objection shall also be served on the attorney. Additionally:
- (1) if a creditor is the United States or an officer or agency of the United States, service shall comply with FRBP 7004(b)(4) or 7004(b)(5);
- (2) if a creditor is a state or municipal corporation or other governmental organization thereof, service shall comply with FRBP 7004(b)(6); and
- (3) if a creditor is an insured depository institution to which FRBP 7004(h) applies, service shall comply with FRBP 7004(h).
- **(b) Proposed Order.** If the respondent to an objection to claim does not file a response within the time specified in the notice of the objection, the objecting party shall promptly send to the Court a proposed E-Order adjusted to the facts alleged in the objection.
- **(c)** Reference Claim Numbers. All claim objections and proposed orders shall reference the specific claim number of the objected claim in the title of the claim objection and proposed order.
- 7. Please review the proposed local rule change. I would very much appreciate comments back to me via email no later than April 18, 2016. My email address is Kyle_George@gamb.uscourts.gov. Your assistance in this matter is greatly appreciated.