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Chapter 12 & 13 Trustee in Bankruptcy
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February 4, 2025

H. Thomas Byron III, Secretary
Committee on Rules of Practice and Procedure
Administrative Office of the United States Courts
One Columbus Circle, NE, Room 7-300
Washington, D.C. 20544

RE: Proposed changes to Bankruptcy Rule 2003 – 24-BK-G

Dear Mr. Byron:

I am writing to submit an amended request to amend Rule 2003. I understand that there were questions from the Bankruptcy Rules Committee regarding the original submission. Attached to this letter you will find an updated redline request.

1. The requested changes have been updated so they are made to the restyled rule 2003 that went into effect on December 1, 2024.
2. Instead of requesting changes to the timing of the Chapter 7 and Chapter 11 timing for 341 meetings, the change is limited to Chapter 12 and 13.
3. In sub (a)(3) the changes still include the request to eliminate the references to a place to hold the meeting, since the meetings are now held via Zoom the place is no longer relevant.
4. The request to change the language regarding recording in sub (c) is withdrawn.

The change in timing for the Chapter 12 meetings is especially critical. The current rule provides that the 341 meeting be held between 21 and 35 days after the case is filed. After accounting for the 3 days for mailing as required by Rule 9006(f), it is, in reality, 25 to 35 days to schedule the 341 meeting. Any 10 day period includes a weekend so there are generally only 7 or 8 days that are available to schedule a Chapter 12 341 meeting. Oftentimes the scheduling is very difficult given other obligations of the parties. It is our understanding that due to holding hearings now via Zoom, the additional days under sub (a)(3) in the current rule are no longer available. Many chapter 12 debtors and trustees are in areas that do not include a United States Trustee's Office and in the days of in person 341's the meetings were often eligible for the increased time to hold the meetings. While Chapter 12 cases are to be moved along quickly, the plan in Chapter 12

cases is not due until 90 days after filing, unlike the 14 days in Chapter 13 cases. The extended time to hold the 341 in Chapter 12 cases will not cause issues regarding other aspects of the chapter 12 case, such as plan confirmation.

Adding the extra time in Chapter 13 cases would be helpful for similar reasons. The assumption may be that doing the hearings over the Zoom platform eliminates the need for what would be an extra 10 days in the Chapter 13 cases, but the elimination of the requirement of travel to a 341 location does not also mean that there are not other scheduling challenges to overcome. For example, trustees who cover multiple divisions or districts and need to hold 341 meetings and have regular court calls with different judges in different places have to juggle all of those competing priorities.

The same issues can come up with the place requirements. Over the past several years the United States Trustee has consolidated at least some trusteeships as cases have declined, and there are a number of Trustees appointed across districts and even across state lines. Such as the Denver, Colorado Chapter 13 Trustee covering cases across the entire state of Wyoming, one of the Minnesota Trustees covering cases in the Dakotas, and the Trustee in Albany New York covering Vermont cases. While some of these changes are not new, what is new is that the Trustee no longer travels to the jurisdiction to conduct the 341, instead, doing so by Zoom. It seems that the place requirement is simply outdated.

For these reasons, the National Association of Chapter 13 Trustees (NACTT) and the Association of Chapter 12 Trustees (ACT12) respectfully request further consideration of this rule change.

Sincerely,

**Rebecca
Garcia**

Digitally signed by Rebecca
Garcia
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Rebecca R. Garcia
Chapter 12 & 13 Trustee, Oshkosh

Rule 2003. Meeting of Creditors or Equity Security Holders

(a) Date and Place of the Meeting.

(1) *Date*. Except as provided in §341(e), the United States trustee must call a meeting of creditors to be held:

(A) in a Chapter 7 or 11 case, no fewer than 21 days and no more than 40 days after the order for relief;

(B) in a Chapter 12 case, no fewer than 21 days and no more than 35~~60~~ days after the order for relief; or

(C) in a Chapter 13 case, no fewer than 21 days and no more than 5~~60~~ days after the order for relief.

(2) *Effect of a Motion or an Appeal*. The United States trustee may set a later date for the meeting if there is a motion to vacate the order for relief, an appeal from such an order, or a motion to dismiss the case.

(3) ~~*Manner of Meeting*~~*Place; Possible Change in the Meeting Date*. The meeting may be held ~~remotely via video~~ at a regular place for holding court. ~~Or the~~ **if a video meeting is not practical, the** United States trustee may designate any other place **or method** in the district that is convenient for the parties in interest **to hold the meeting**. ~~If the designated meeting place is not regularly staffed by the United States trustee or an assistant who may preside,~~ **The United States trustee, in its discretion, may hold the meeting in Chapter 7 and 11 cases,** ~~may be held~~ no more than 60 days after the order for relief.

The previously proposed change to sub c is withdrawn. No further changes to the rule are requested.

(b) Conducting the Meeting; Agenda; Who May Vote.

(1) *At a Meeting of Creditors*.

(A) *Generally*. The United States trustee must preside at the meeting of creditors. The meeting must include an examination of the debtor under oath. The presiding officer has the authority to administer oaths.

(B) *Chapter 7 Cases*. In a Chapter 7 case, the meeting may include the election of a creditors' committee; and if the case is not under Subchapter V, the meeting may include electing a trustee.

(2) *At a Meeting of Equity Security Holders.* If the United States trustee convenes a meeting of equity security holders under §341(b), the United States trustee must set a date for the meeting and preside over it.

(3) *Who Has a Right to Vote; Objecting to the Right to Vote.*

(A) *In a Chapter 7 Case.* A creditor in a Chapter 7 case may vote if, at or before the meeting:

(i) the creditor has filed a proof of claim or a writing setting forth facts evidencing a right to vote under §702(a);

(ii) the proof of claim is not insufficient on its face; and

(iii) no objection is made to the claim.

(B) *In a Partnership Case.* A creditor in a partnership case may file a proof of claim or a writing evidencing a right to vote for a trustee for the general partner's estate even if a trustee for the partnership's estate has previously qualified.

(C) *Objecting to the Amount or Allowability of a Claim for Voting Purposes.* Unless the court orders otherwise, if there is an objection to the amount or allowability of a claim for voting purposes, the United States trustee must tabulate the votes for each alternative presented by the dispute. If resolving the dispute is necessary to determine the election's result, the United States trustee must report to the court the tabulations for each alternative.

(c) *Recording the Proceedings.* At the meeting of creditors under §341(a), the United States trustee must:

(1) record verbatim—using electronic sound-recording equipment or other means of recording—all examinations under oath;

(2) preserve the recording and make it available for public access for 2 years after the meeting concludes; and

(3) upon request, certify and provide a copy or transcript of the recording to any entity at that entity's expense.