

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS

United States District Court
Southern District of Texas
ENTERED

MAR 19 2020

In re:

Procedure for Temporary Reduction
In Chapter 13 Plan Payments.

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General Order 2020-7

David J. Bradley, Clerk of Court
By Deputy Clerk 

**ORDER ESTABLISHING PROCEDURE FOR TEMPORARY
REDUCTION IN CHAPTER 13 PLAN PAYMENTS**

1. Chapter 13 debtors who have suffered a substantial and adverse effect from current public health issues may seek a temporary reduction in their chapter 13 plan payments for the period from March 1, 2020 through May 31, 2020.

2. To qualify for a temporary plan payment reduction, chapter 13 debtors must (i) have suffered a documentable financial burden such as lost income, increased child care expenses, increased medical costs or other expenses directly related to the current public health issues; and (ii) file a statement in the form attached as **Exhibit A** using the Emergency Chapter 13 Payment Reduction CM/ECF event code. Debtors must also file proposed ACH, EFT or wage order(s) reflecting the proposed reduction. The amount of the reduction must not be greater than the aggregate amount of any documentable financial burden suffered by Debtors that is directly related to the current public health issues.

3. Unless otherwise ordered by the Court, the reduced payments reflected on **Exhibit A** are effective when filed.

4. Effective June 1, 2020, Debtors must resume making their full monthly plan payment to the chapter 13 trustee. Unless otherwise provided in a proposed modification, Debtors must cure any arrearages for the period from March 1, 2020 through May 31, 2020 no later than December 31, 2020.

5. This procedure does not reduce payments to be made by Debtors (i) directly to creditors, (ii) for post-petition taxes, or (iii) for post-petition domestic support obligations.

6. Debtors must retain documentation that demonstrates the reasonableness of the reduced payments. The documentation must be presented on demand by the chapter 13 trustee or the Court. Debtors' counsel are urged to retain the appropriate documentation from their clients.

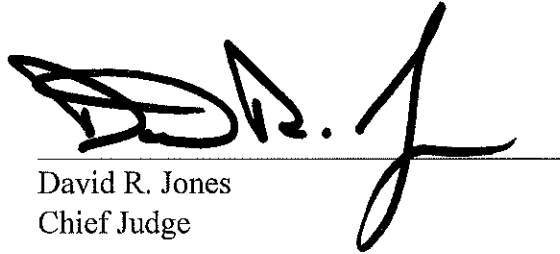
7. This Order may be modified on a case-by-case basis on motion filed by a party-in-interest for good cause shown.

8. If the Court has issued an order (including, for example, an agreed order conditioning the automatic stay) that provides that a debtor must maintain a certain level of payments to the chapter 13 trustee to avoid a default, the required payment to the chapter 13 trustee

is adjusted to the amounts shown on Exhibit A for the period March 1, 2020 through May 31, 2020.

9. The Court may adjust the dates in this Order as circumstances warrant.
10. This Order does not apply to debtors whose plan or plan modification is approved by order entered on or after March 19, 2020.
11. Debtor(s)' counsel, whether retained on a fixed or hourly fee basis, will be paid a \$150.00 fixed fee for assisting their clients under this procedure.
12. Debtors who are able to maintain their payments should do so.

March 19, 2020.



David R. Jones
Chief Judge

Exhibit A

CASE STYLE

**STATEMENT OF PAYMENT REDUCTION
PURSUANT TO GENERAL ORDER 2020-7**

The Debtor(s) in this case have had a temporary reduction in income, or a temporary increase in expenses, on account of recent public health events. Based on those circumstances, the Debtor(s) allege that the following reduction in their monthly plan payment is appropriate:

	Estimated Disposable Income	Required Payment Before Reduction	Amount of Reduction	Required Payment After Reduction
March 2020				
April 2020				
May 2020				
TOTAL				

Date: _____

Debtor's Counsel