<u>United States Bankruptcy Court for the District of Kansas</u> <u>Local Bankruptcy Rule Changes Effective April 1, 2024</u>

Effective April 1, 2024, the US Bankruptcy Court for the District of Kansas amended its Local Bankruptcy Rules, Official Form Chapter 13 Plan, and its Standing Orders and General Orders. The changes were made after considering recommendations from the Bankruptcy Bench Bar Committee and comments submitted to the court during the public notice and comment period. The court also made minor changes to conform the Chapter 13 Plan to the recently adopted Standing Order 24-1 (Order Amending D. Kan. LBR 3015(b).1). Other Standing Orders and General Orders were abrogated because they had either expired or were moot.

Redlined copies of the amended LBRs are attached to highlight the changes.

Changes effective on April 1, 2024, are:

LBR 2002.2: When an agency of the federal government or the State of Kansas is a creditor, this rule requires notice to be given at the address designated for that entity. The rule is amended to remove the list of addresses from the rule and post the addresses on the court's public web page: <u>https://www.ksb.uscourts.gov/register-government-mailing-addresses</u>. The amended rule also states that government agencies are responsible to promptly notify the Clerk of Court of changes to their noticing address. Note: State and Federal agencies may request that their noticing address be updated at any time pursuant to LBR 2002.2 by submitting an address change in writing to the Clerk.

LBR 3002.1.1.(d)(4): When a mortgage creditor alleges the debtor defaulted, it must send a letter to the debtor and the debtor's attorney. The rule is amended to require the mortgage creditor to send a copy of the letter alleging default by email to the debtor's attorney.

LBR 4004.1(a): The rule is amended to clarify that the combined Certification of Debtor and Motion for Entry of Discharge that is required to obtain a discharge under 11 U.S.C. 1228(a) or 1328(a) does not apply to hardship discharges under 1228(b) and 1328(b).

LBR 4070.1(b): When a creditor holds an allowed claim that is secured by the debtor's motor vehicle, the creditor may make a written demand for proof of insurance that is served on the debtor and debtor's attorney by first-class mail. The rule is amended to require the creditor to send a copy of the written demand by email to the debtor's attorney.

Official Form Chapter 13 Plan: Changes are made throughout the Plan.

Standing Order 17-1 (Second Amended Order Adopting Form Chapter 13 Plan and Abrogating Standing Order 14-4 as Superseded): This Standing Order is abrogated by adoption of the amended Official Form Chapter 13 Plan.

Standing Order 21-3 (Order Governing Case Management Chapter 7 and Chapter 13 Cases) and Standing Order 22-1 (Order Governing Case Management Chapter 7 and Chapter 13 Cases): These Standing Orders expired and were replaced by Standing Order 23-1 (Order Governing Case Management Chapter 7 and Chapter 13 Cases).

General Order 20-1 (Resets of § 341 Meetings of Creditors): This order is abrogated as moot.

PLEASE ALSO NOTE these other recent changes:

LBR 3015(b).1(h): Standing Order 24-1 (dated February 15, 2024) adds new subsection (h). It sets a presumptive interest rate to be paid on secured claims that are paid through the plan in chapter 13 cases filed on or after January 1, 2024.

Standing Order 24-1 (Order Amending D. Kan. LBR 3015(b).1) was adopted on February 15, 2024.

LBR 2002.2

SCHEDULING, LISTING, AND NOTICING THE UNITED STATES AND AGENCIES OF THE STATE OF KANSAS AS A CREDITOR

(a) Departments, Agencies, and Instrumentalities of the United States. When a department, agency, or instrumentality of the United States is a creditor, the schedules and matrix must list that agency at the address provided in subsection (a) of Appendix 1-01 to LBR 2002.2 posted on the court's public website at https://www.ksb.uscourts.gov/register-government-mailing-addresses this rule. Any notice or service given to an address listed pursuant to in this rule will be in addition to any notice required by statute, rule or regulation. See also D. Kan. LBR 7004.1 and Fed. R. Bankr. P. 7004(b)(4) and (5) regarding service in adversary proceedings and contested matters.

(b) United States Attorney's Office. When any department, agency, or instrumentality of the United States is a creditor, the schedule of creditors and matrix must also list the United States Attorney's Office located in the division headquarters where the petition for relief is filed. The addresses are:

1. Office of United States Attorney

- Robert J Dole US Courthouse Suite 360
- <u>— 500 State Avenue</u>
- Kansas City KS 66101-2433
- 2. Office of United States Attorney
- <u>US Courthouse Suite 290</u>
- 444 Southeast Quincy Street

3. Office of United States Attorney

-1200 Epic Center

(c) Addresses for certain Departments, Agencies and Instrumentalities of the United States. When one of the following departments, agencies, or instrumentalities of the United States is a creditor, the schedule and matrix must list the agency at the address indicated:

- **1. DEPARTMENT OF AGRICULTURE**
- (excepting Farm Service Agency and Rural
- Development, which are individually listed)
- -----Office of the General Counsel
- PO Box 419205 Mail Stop 1401
- Kansas City MO 64141-6205

Farm Service Agency
<u>3600 Anderson Avenue</u>

<u>Manhattan KS 66503-2511</u>

USDA Rural Development

- <u>PO Box 66879</u>
- St Louis MO 63166
- 2. DEPARTMENT OF EDUCATION (DOE)
- For noticing on schedules and the matrix:
- US Department of Education
- <u>PO Box 16448</u>

- -----Business Operations/Federal Student Aid
- <u>— Mailbox 1200 Room 1176</u>
- For service of process, such as adversary

- 400 Maryland Ave NW Room 6E353
- Washington DC 20202-2110

3. DEPARTMENT OF HEALTH AND HUMAN

- US Dept of Health and Human Services

- Kansas City MO 64106

- 4. DEPARTMENT OF HOUSING AND URBAN

- Gateway Tower II Room 200
- <u>— 400 State Avenue</u>

5. INTERNAL REVENUE SERVICE (IRS)

- Internal Revenue Service
- <u>— PO Box 7346</u>
- ------Philadelphia PA 19101-7346

6. SMALL BUSINESS ADMINISTRATION (SBA)

- District Counsel
- US Small Business Administration
- <u>— 10675 Bedford Ave Suite 100</u>
- <u>— Omaha NE 68127</u>

7. SOCIAL SECURITY ADMINISTRATION

- SSA OGC Office of Program Lit Bankruptcy
- 6401 Security Boulevard
- Baltimore MD 21235

8. UNITED STATES POSTAL SERVICE

- <u>Law Department</u>
- US Postal Service
- <u>— 9350 South 150 East</u>
- <u>— Suite 800</u>
- <u>— Sandy UT 84070-2716</u>

9. VETERANS ADMINISTRATION (VA)

- <u>PO Box 11930</u>
- St Paul MN 55111-0930

(bd) Departments, Agencies and Instrumentalities of the State of Kansas. When any department, agency, or instrumentality of the State of Kansas is a creditor, the schedules and matrix must list that agency at the address provided in subsection (b) of Appendix 1-01 to LBR 2002.2 posted on the court's public website at https://www.ksb.uscourts.gov/local-rules/[precise webpage tbd]this rule. Any notice or service given to an address listed pursuant to in this rule will be in addition to any notice required by statute, rule or regulation. See also D. Kan. LBR 7004.1 and Fed. R. Bankr. P. 7004(b)(6) regarding service in adversary proceedings and contested matters.

(c) Addresses for certain Departments, Agencies and Instrumentalities of the State of Kansas. When one of the following departments, agencies, or instrumentalities of the State of Kansas is a creditor, the schedule and matrix must list the agency at the address indicated:

- 1. Kansas Department of Administration

2. Kansas Department for Aging and Disability

- <u>— 503 S Kansas Ave</u>

3. Kansas Department of Agriculture

4. Kansas Department of Commerce

- <u>— Suite 100</u>

5. Kansas Department of Education

- <u>— Landon State Office Building</u>
- 900 SW Jackson Street Suite 102
- <u>— Topeka KS 66612</u>

6. Kansas Dept of Health and Environment

- <u>— 1000 SW Jackson Suite 560</u>

7. Kansas Department of Labor

- -401 SW Topeka Blvd

8. Kansas Department of Revenue

- <u>PO Box 12005</u>

9. Kansas Dept for Children and Families

<u>— 555 S Kansas Ave 6th Floor</u>

<u>— Topeka KS 66603</u>

10. Kansas Department of Transportation

<u>— Topeka KS 66603-3745</u>

11. Kansas Department of Wildlife and Parks

<u>— Room 200</u>

<u>Topeka KS 66612-1233</u>

(c) **Responsibility to Update Addresses.** A federal or state department, agency, or instrumentality with a noticing address listed in Appendix 1-01 to LBR 2002.2 is responsible to promptly inform the Clerk of any change to that address.

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As amended 4/1/24, 3/17/23, 3/17/21, 3/17/20, 3/17/19, 3/17/18, 3/17/16, 3/17/15, 3/17/14, 3/17/13, 3/17/12, 3/17/11, 3/17/08.

Appendix 1-01 to LBR 2002.2

Noticing Addresses for the United States and Agencies of the State of Kansas as a Creditor (Rev. 4/1/2024)

(a) Departments, Agencies, and Instrumentalities of the United States.

(1) United States Attorney's Office. When any department, agency, or instrumentality of the United States is a creditor, the schedule of creditors and matrix must also list the United States Attorney's Office located in the division headquarters where the petition for relief is filed. The addresses are:

- A. Office of United States Attorney Robert J Dole US Courthouse Suite 360 500 State Avenue Kansas City KS 66101-2433
- B. Office of United States Attorney US Courthouse Suite 290 444 Southeast Quincy Street Topeka KS 66683-3592

C. Office of United States Attorney 1200 Epic Center 301 N Main Wichita KS 67202-4812

(2) Addresses for certain Departments, Agencies and Instrumentalities of the United States. When one of the following departments, agencies, or instrumentalities of the United States is a creditor, the schedule and matrix must list the agency at the address indicated:

A. DEPARTMENT OF AGRICULTURE (except for Farm Service Agency and Rural Development, which are individually listed)

Office of the General Counsel United States Department of Agriculture PO Box 419205 Mail Stop 1401 Kansas City MO 64141-6205

Farm Service Agency 3600 Anderson Avenue Manhattan KS 66503-2511

USDA Rural Development PO Box 66879 St Louis MO 63166

B. DEPARTMENT OF EDUCATION (DOE) For noticing on schedules and the matrix:

US Department of Education PO Box 16448 St Paul MN 55116-0448

US Department of Education Business Operations/Federal Student Aid 50 United Nations Plaza Mailbox 1200 Room 1176 San Francisco CA 94102

For service of process, such as adversary proceedings: Education Department Office of General Counsel 400 Maryland Ave NW Room 6E353 Washington DC 20202-2110

C. DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) US Dept of Health and Human Services Office of the General Counsel 601 East 12th Street Room N1800 Kansas City MO 64106

- D. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) Regional Counsel
 Dept of Housing and Urban Development
 Gateway Tower II Room 200
 400 State Avenue
 Kansas City KS 66101-2406
- E. INTERNAL REVENUE SERVICE (IRS) Internal Revenue Service PO Box 7346 Philadelphia PA 19101-7346
- F. SMALL BUSINESS ADMINISTRATION (SBA) District Counsel US Small Business Administration 10675 Bedford Ave Suite 100 Omaha NE 68127
- G. SOCIAL SECURITY ADMINISTRATION SSA OGC Office of Program Lit Bankruptcy 6401 Security Boulevard Baltimore MD 21235
- H. UNITED STATES POSTAL SERVICE Law Department US Postal Service 9350 South 150 East Suite 800 Sandy UT 84070-2716
- I. VETERANS ADMINISTRATION (VA) VA DMC PO Box 11930 St Paul MN 55111-0930

(b) Departments, Agencies and Instrumentalities of the State of Kansas. When one of the following departments, agencies, or instrumentalities of the State of Kansas is a creditor, the schedule and matrix must list the agency at the address indicated:

 A. Kansas Department of Administration OSM Payroll Garnishments ESOB Suite 300 700 SW Harrison St Topeka KS 66603

- B. Kansas Dept for Aging and Disability Services c/o Chief Counsel New England Building 503 S Kansas Ave Topeka KS 66603-3404
- C. Kansas Department of Agriculture Office of Chief Counsel 1320 Research Park Dr Manhattan KS 66502
- D. Kansas Department of Commerce Attn Legal Department 1000 SW Jackson Suite 100 Topeka KS 66612-1354
- E. Kansas Department of Education Landon State Office Building 900 SW Jackson Street Suite 102 Topeka KS 66612
- F. Kansas Dept of Health and Environment Office of Legal Services 1000 SW Jackson Suite 560 Topeka KS 66612-1368
- G. Kansas Department of Labor Attn Legal Services
 401 SW Topeka Blvd Topeka KS 66603-3182
- H. Kansas Department of Revenue Civil Tax Enforcement PO Box 12005 Topeka KS 66601-2005
- Kansas Dept for Children and Families Office of the Secretary 555 S Kansas Ave 6th Floor Topeka KS 66603
- J. Kansas Department of Transportation Eisenhower State Office Bldg 3rd Floor West 700 SW Harrison Topeka KS 66603-3745

K. Kansas Department of Wildlife and Parks 1020 South Kansas Ave Room 200 Topeka KS 66612-1233

LBR 3002.1.1

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REQUIRED STATEMENTS FOR SECURED DEBTS ON A PERSONAL RESIDENCE

(d) Mortgage Creditor's Duties.

(4) If the case is a Chapter 12 or 13 case where the secured consumer debt is not modified or paid through the plan, and the Mortgage Creditor believes the debtor is in default, the Mortgage Creditor shall send a letter alleging such default to the debtor and debtor's attorney, and also by email to debtor's attorney, not less than 14 days before taking any steps to modify the automatic stay. Such written notice of default shall not be required in instances where the debtor has filed with the Court a plan or plan modification in which the debtor makes known the intent to abandon or surrender the property securing the Mortgage Creditor's claim.

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As amended 4/1/24, 3/17/18.

LBR 3015(b).1

CHAPTER 13 PLAN AND PRE-CONFIRMATION ADEQUATE PROTECTION PAYMENTS

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(h) Presumptive Interest Rate on Secured Claims. The presumptive interest rate to be paid on secured claims paid through a chapter 13 plan shall be calculated in chapter 13 cases filed on or after January 1, 2024, as follows:

(1) *Calculation*. Three percent shall be added to the 5-year Daily Treasury Par Yield Curve Rate published by the US Department of the Treasury for the first business day of the quarter in which the bankruptcy case was filed (e.g., January 2, April 1, July 1, and October 1, 2024).

(2) *Notice.* The current rate shall be determined by the Clerk of the Bankruptcy Court and posted on the Bankruptcy Court's website no later than the 10th day of each quarter (January 10, April 10, July 10, October 10).

(3) *Duration*. The interest rate in effect on the petition date shall remain in effect for the duration of a case.

(4) *Exception*. Proposed deviations from the presumptive interest rate must be set forth in the plan's nonstandard provisions.

As amended 2/15/24 (by S.0. 24-1), 3/17/20, 3/17/15, 3/17/10, 3/17/07, 10/17/05.

LBR 4004.1 DISCHARGE IN CASES UNDER CHAPTER 11 SUBCHAPTER V, CHAPTER 12, AND CHAPTER 13

(a) Chapter 12 and Chapter 13 Cases. Debtor shall file with the Court a combined Certification of Debtor and Motion for Entry of Discharge in order to obtain a discharge upon completion of all plan payments under 11 U.S.C. § 1228(a) or § 1328(a).

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As amended 4/1/24, 3/17/23, 3/17/21.

LBR 4070.1 INSURANCE ON MOTOR VEHICLES

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(b) Proof of Insurance. Except as provided in § 1326(a)(4), proof of insurance against physical damage and loss for any motor vehicle belonging to or leased by the debtor or the estate that is subject to the lien of a creditor holding an allowed secured claim must be furnished to the trustee and the creditor at or before the meeting held under § 341, or on written demand of the creditor. Written demand by the creditor for proof of insurance must be served on the debtor by first-class mail and on debtor's attorney by first-class mail and by email, or ECF notification. Failure to furnish proof of insurance at or before the meeting held under § 341 or on written demand as provided by these rules is presumed to mean there is no insurance in effect. Any written "binder" must be followed by proof of permanent insurance.

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As amended 4/1/24, 3/17/09, 3/17/05.