

## THE BANKRUPTCY COURT LIAISON COMMITTEE NOVEMBER 2010 NEWSLETTER

### Statement regarding the Committee and Newsletter

The Bankruptcy Court Liaison Committee was formed to promote communications about court procedures, etiquette, filings and other issues; to assist the Court and attorneys in creating a more efficient environment; and to represent a diverse group of bankruptcy attorneys from the Chicago area. Additionally, the Committee members develop, participate in and support educational programs concerning issues affecting the bench, attorneys, financial institutions and consumers, including providing support for the local CARE Program. The Committee also organizes and sponsors social events to allow greater interaction between the Court and the attorneys who appear before it. The Committee provides an opportunity to relay issues, concerns or ideas to the Committee – anonymously – through any of the Committee Members. The information will then be presented to the Bankruptcy Judges for their review and consideration.

This is the third Newsletter posted by the Committee. The Committee is circulating the Newsletter so that members of the Bar are aware of the types of topics that are discussed at the Committee meetings, and can offer their input regarding the same. If you have any suggestions, questions or concerns, please do not hesitate to contact one of the Committee Members. Contact information for the Committee Members can be found on the Court's website through the link to the [Bankruptcy Court Liaison Committee](#). Please submit your comments or questions to the Committee Members, and not to Judges who are invitees of the Committee.

### Year-End Holiday Party

The Committee is excited to announce its annual year-end holiday party, which will be held on Thursday, December 16, 2010 at 5:00 p.m.! Last year's party was a great success. It provided an opportunity for Members of the Bar and Judges to gather and interact in an informal setting. More details on this year's party are to follow soon.

### Bankruptcy Filings Continue To Climb

According to the statistics gathered by the American Bankruptcy Institute, the bankruptcy filings in Illinois jumped to 20,741 in the Third Quarter of 2010, compared to 19,016 filings in the Third Quarter of 2009 – an increase of almost 10%! Nationally, the filings rose to 412,380 in the Third Quarter of 2010, compared to 388,485 in the Third Quarter of 2009. Research by the Federal Reserve indicates that consumer debt is consistent with bankruptcy filings, as household debt is at a record high relative to disposable income. Statistical data and Federal Reserve research information may be obtained on ABI's website: [http://www.abiworld.org/am/template.cfm?section=bankruptcy\\_statistics1](http://www.abiworld.org/am/template.cfm?section=bankruptcy_statistics1)

### Court Call -- Suggestions

In its continuing efforts to act as an effective bridge between the Court and the Bar, the Committee is seeking constructive input from the Bar on possible ways to make management and attendance at daily court calls more efficient and to report this feedback back to the Court. Please note that the difficulty and the amount of work involved in implementing ideas should be considered, and not just the convenience of particular members of the Bar. If you would like to share your ideas or if you have any questions, please contact one of the members of the Committee.

### New Model Plan and Lien Stripping in Chapter 13

The model Chapter 13 Plan which recently came into effect contains a provision in Section E, para. 3.2 stating that claims which are secured by collateral that either has no value or is fully encumbered by liens with higher priority will be treated as unsecured. Please note that this provision does not replace the lien stripping procedures in Chapter 13 of individual Judges. The individual Judges' procedures remain in full force and effect.

### Required Use of Standardized Proposed Order Form, beginning November 1, 2010

As a reminder, the Court has adopted a mechanism, using a fillable order form, to expedite the processing of motions and orders. As of November 1, 2010, you are required to use the standardized order form for any proposed order. You are be required to submit a draft order using the court mandated fillable form which will result in an order that the court will be able to edit and approve when needed. After filling in the order, please save the file and submit, instead of printing and scanning the order. The Court advises to use the new forms for all proposed orders other than those listed on the Court's web site under the "Local Bankruptcy Forms" page. The Court will advise you as Local Form Orders are converted to the new standard. Also, the fillable form orders have

not yet been adapted to accommodate "Agreed Orders." Please continue to process those as you presently do.