

U. S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
ENTERED
JUN 17 1999
TAWANA C. MARSHALL, CLERK
By SA
Deputy

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
ABILENE, AMARILLO, LUBBOCK and SAN ANGELO DIVISIONS

IN RE:

ORDER CONCERNING MOTIONS TO INCUR
NEW DEBTS IN CHAPTER 13 CASES

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STANDING ORDER NO. 99-2

The court is concerned that by seeking to incur new debts during a Chapter 13 case, particularly debts to purchase a new automobile, debtors place themselves in a financial bind which might jeopardize the success of their Chapter 13 plan. The court finds that there must be good reason to incur additional debt during a Chapter 13 case and the court must have information sufficient to determine whether the request would detrimentally affect the debtor's Chapter 13 plan.

It is therefore ORDERED that:

1. All motions to incur new debt in Chapter 13 cases in the Abilene, Amarillo, Lubbock, and San Angelo Divisions of the United States Bankruptcy Court for the Northern District of Texas filed following the entry of this order must include the following information:
 - a. A full statement of the necessity for incurring the additional debt.
 - b. A description of the current Chapter 13 plan, including the monthly payment, the approximate number of months remaining under the plan, and a good faith representation of the proposed distribution to unsecured creditors under the plan.
 - c. A statement as to whether the debtors are current under the plan.
 - d. A statement of the effect of the additional debt on the plan together with a narrative statement as to why the debtors think they will be able to afford the new obligation.
 - e. An original and three copies of a current Schedule I, statement of income, and a current Schedule J, statement of expenses, **must** be filed with the Clerk. These Schedules **must** be dated, personally signed by the debtor (both debtors in a joint case), and comply with FED. R. BANKR. P. 1008. These schedules should be filed at the same time the motion is filed. Copies of these Schedules **must** be attached to the motion to incur new debt.
 - f. A copy of the contract which the debtor proposes to enter into in connection with the new indebtedness must be attached to the motion. If a contract has not been signed, the debtor shall make a full disclosure of the agreed upon terms of the new indebtedness.
2. A copy of the motion, together with attachments, shall be furnished to all creditors and parties in interest who shall be notified that they have fifteen days to file objections thereto. See FED. R. BANKR. P. 4001(c). If objections are filed, a hearing will be set on the court's next available Chapter 13 docket in the appropriate division. If no objections are filed, the court may consider the motion with or without a hearing.

DATED: JUN 16 1999

John C. Akard
JOHN C. AKARD, BANKRUPTCY JUDGE

ORIGINAL