UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF TENNESSEE

STANDING ORDER REGARDING ATTORNEYS' FEES OF DEBTOR'S ATTORNEY IN CHAPTER 13 CASES

No. 24-0001

On or about March 6, 2017, the Court increased the presumptively reasonable debtor's attorneys' fee in a Chapter 13 case to \$3,800.00. The Court has determined that an increase in the amount of the presumptively reasonable debtor's attorneys' fee, as well as an adjustment to the disbursement percentage, is appropriate.

ACCORDINGLY, the Court issues this Standing Order in accordance with 11 U.S.C. § 330 and Rule 2016 of the Federal Rules of Bankruptcy Procedure.

THEREFORE, it is **ORDERED** that effective **Friday**, **March 01**, **2024**:

- 1. As to all cases <u>filed</u> on and after the effective date, the presumptively reasonable fee for debtor's attorneys in Chapter 13 cases shall be \$4,750.00 and shall cover all reasonably necessary services and expenses provided by debtor's attorney from the outset of the Chapter 13 case. While it is contemplated that a presumptively reasonable fee will cover all services for representing the interests of the debtor in the Chapter 13 case, the debtor's attorney may provide in the Disclosure of Compensation statement that the presumptive fee does not include any services, fees, and expenses in connection with
 - a. an adversary proceeding under Fed. R. Bankr. P. 7001;
 - b. a contempt proceeding;
 - c. employing an expert witness; or
 - d. an appeal.
- 2. As to all Chapter 13 cases <u>open</u> on and after the effective date but not previously confirmed, upon <u>confirmation</u> of the Chapter 13 Plan:
 - a. The debtor's attorney shall receive an initial attorney fee disbursement of up to \$1,750.00 if funds are available after payment of other administrative expenses, adequate protections and/or other court-ordered payments (i.e., filing fee, automobile insurance, and the ongoing mortgage and child support payments) as required by the terms of each case and/or Chapter 13 Plan. Should the funds on hand at confirmation be insufficient to pay the \$1,750.00 disbursement, the attorney shall receive an initial disbursement to the extent that funds are available after payment of other administrative expenses, adequate protections and/or other court-ordered payments (i.e., filing fee, automobile insurance, and

the ongoing mortgage and child support payments). The attorney shall continue to receive all funds available after paying the filing fee, automobile insurance, and the ongoing mortgage and child support payments as required until the initial attorney fee is paid.

- i. After the payment of the initial attorney fee in a case with a confirmed Chapter 13 Plan, the monthly payment of the attorney fee shall be calculated at 12% of the Trustee's monthly disbursement under the Plan.
- ii. When only generally unsecured creditors remain to be paid, this percentage of the Trustee's monthly disbursement to be paid towards the attorney fee shall increase from 12% to 100% of the disbursement until the attorney fee is paid in full.
- 3. If a case is **dismissed prior to confirmation**, the presumptively reasonable fee for a Chapter 13 case shall be \$1,200.00. To the extent that funds are available, the Trustee shall pay the \$1,200.00 presumptively reasonable fee in a dismissed case to debtor's attorney as an allowed administrative expense pursuant to 11 U.S.C. §§ 330 and 503, after payment of other administrative expenses, adequate protections and/or other court-ordered payments (i.e., filing fee, automobile insurance, and the ongoing mortgage and child support payments).
- 4. The debtor's attorney may later file an itemized fee application requesting the approval of additional fees and expenses should the attorney subsequently determine the presumptively reasonable fee does not adequately compensate the attorney for legal services rendered.

This Order will remain in effect pending further order of the Court.

SO ORDERED by the Court February 26, 2024.

ennie & Latta

Jennie D. Latta Chief Bankruptcy Judge

M. Ruthie Hagan Bankruptcy Judge

Simmy K. Crosm

Jimmy L. Croom Bankruptcy Judge

Denise E. Barnett Bankruptcy Judge