

Comments on Proposed Amendment to Federal Rules of Bankruptcy Procedure and Forms Louis M. Bubala

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## 1 Attachment



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February 15, 2013

Committee on Rules of Practice and Procedure Administrative Office of the United States Courts One Columbus Circle, NE Washington, D.C. 20544 Via email only, Rules Comments@ao.uscourts.gov

Re: Comments on Proposed Amendment to Federal Rules of Bankruptcy Procedure and Forms

Dear Members of the Committee on Rules of Practice and Procedure:

I write personally as a practicing bankruptcy attorney. While I am a partner at my firm, my comments do not necessarily represent the views of my firm or its clients.

Thank you for your efforts to revise the rules and forms. They contain many excellent and deserved changes. I am pleased especially with the proposed elimination of Rule 7008(b) and addition of Rule 7054(b)(2) regarding claims for attorney's fees. The current rules have caused problems over the years, and the adoption of the procedure from the civil rules is a good one.

I strongly support the revisions to the forms for individual debtors. I generally represent creditors, and the revisions add clarity to the financial disclosures of debtors. However, I write to offer two comments

on the proposed revisions to proposed Official Form 6I, commonly referred to as Schedule I.

- 1. I encourage you to remove a broad reporting exclusion for employment of and income from a debtor's non-filing, separated spouse. This exclusion is inconsistent with Nevada's community property law. Nevada law provides generally that "separation of the parties does not dissolve the community, and does not alter the character of the parties' income during the period of separation." *Hybarger v. Hybarger*, 737 P.2d 889, 891 n.5, 103 Nev. 255, 259 n.5 (Nev. 1987) (citations omitted). This is a concise statement of Nevada law provided for under Nevada Revised Statutes Chapter 123, Rights of Husband and Wife, and other case law. The use of the word "separated" on Schedule I may have unintended consequences in Nevada, if not other community property states, in avoiding disclosure of post-petition income. Given the state-law nature of marriage and property, I hope you will consider removing this reporting exception.
- 2. I applaud the additional reporting for debtors working for multiple employers. I fully support the directive for Part 1 that a debtor attach a separate page with information about additional employers. I suggest that this additional reporting be added to Part 2 about monthly income. Part 2 as currently proposed only requires a debtor to report the final, combined amount of their income from multiple employers. I encourage the committee to require not only the combined amounts, but separate reporting of income for each employer. Disclosure is enhanced if a debtor reports the underlying information about income from each employer.

Again, I appreciate your efforts to improve the bankruptcy rules and forms.

Sincerely,

/s/Louis M. Bubala III



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