

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF CALIFORNIA**

Filed: October 29, 2019

In re:)	
)	
PAYMENT CHANGE NOTICES)	BANKRUPTCY GENERAL
ON HOME-EQUITY LINE OF CREDIT)	ORDER NO. 193
AGREEMENTS)	
)	
)	
)	

The Court having considered the requirements of Federal Rule of Bankruptcy Procedure 3002.1, implements the following guidelines regarding payment change notices on home-equity line of credit agreements:

If a claim arises from a home-equity line of credit agreement in a Chapter 13 proceeding, the notice of any payment change that is required by Federal Rule of Bankruptcy Procedure 3002.1(b) must be filed and served on the debtor, debtor’s counsel, and the trustee no later than one year after the entry of the order for relief, and not less frequently than annually thereafter.

The annual notice must state the monthly payment amount due for the month in which the notice is filed. The payment amount will be effective on the first payment due date that is at least 21 days from the filing of the annual notice and will remain effective until a new notice is filed with the court and served on the debtor, debtor’s counsel, and trustee. Within the annual notice, the holder of the claim arising from a home-equity line of credit agreement must also include a reconciliation amount to account for any over or under payment received during the prior year. This reconciliation amount must be accounted for in the first payment due to the holder of the claim arising from a home-equity line of credit agreement after the effective date of the notice and must be adjusted upwards or downwards to account for the reconciliation amount.

In addition to the annual notice, the holder of the claim arising from a home-equity line of credit agreement must timely file and serve on the debtor, debtor’s counsel, and trustee a notice of payment change pursuant to Federal Rule of Bankruptcy Procedure 3002.1(b), if the monthly payment increases or decreases by more than \$10 in any single month.

As the federal rule making on payment change notice requirements for claims arising from home-equity line of credit agreements in Chapter 13 proceedings is ongoing, this General Order will remain effective to the extent this Order does not conflict with or is otherwise preempted by a subsequent amended Federal Rule of Bankruptcy Procedure.

IT IS ORDERED that the period for comment is from now until November 30, 2019. Except as set forth in further order of this Court, the effective date of this order shall be December 1, 2019. Comments concerning these amendments may be submitted by E-mail to LBRcomments@casb.uscourts.gov [please include the name, firm name (if any), E-mail address,

and phone number of person submitting the comment] or by mail to the Clerk of Court at 325 West F Street, San Diego, California 92101-6991. Please note on the envelope “General Order 193”.

DATED: October 29, 2019

s/ Margaret M. Mann

MARGARET M. MANN
Chief Judge, U.S. Bankruptcy Court

s/Louise DeCarl Adler

LOUISE DeCARL ADLER
Judge, U.S. Bankruptcy Court

s/Laura S. Taylor

LAURA S. TAYLOR
Judge, U.S. Bankruptcy Court

s/ Christoher B. Latham

CHRISTOPHER B. LATHAM
Judge, U.S. Bankruptcy Court

General Order No. 193