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United States Bankruptcy Court
Eastern District of North Carolina

A. Thomas Small
Chief Judge
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February 14, 1997

The Honorable Adrian G. Duplantier
Chair, Advisory Committee
on Bankruptcy Rules
Senior U.S. District Judge
Eastern District of Louisiana
United States Courthouse
500 Camp Street
New Orleans, LA 70130

Dear Adrian:

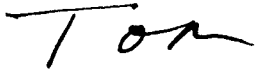
I am writing to call your attention to a problem with Bankruptcy Rule 9020. Specifically, the problem is that Rule 9020(c) provides that contempt orders entered by bankruptcy judges are not effective for 10 days, and if objections are filed, are subject to de novo review.

If a bankruptcy judge enters a coercive civil contempt order, e.g., to turn over the keys or pay a fine of \$100 per day, the order is, at best, not effective for 10 days, and at worst, not effective at all until it has been reviewed de novo by the district court.

Rule 9020 was probably adopted at a time when there was considerable doubt as to the contempt authority of bankruptcy judges, and the Rule was an attempt to expand that authority. However, the circuit courts have now recognized the bankruptcy court's civil contempt authority, and Rule 9020 is an unnecessary hindrance to the exercise of that power.

I hope you agree that this issue merits the attention of the Committee.

Very truly yours,



A. Thomas Small

ATS:lw

cc: Peter G. McCabe
Alan N. Resnick