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February 20, 2025

H. Thomas Byron III, Secretary Committee on Rules of Practice and Procedure Administrative Office of the United States Courts One Columbus Circle, NE, Room 7-300 Washington, D.C. 20544

Re: Proposed Changes to Bankruptcy Rule 2003-24-BK-G

Dear Mr. Byron:

Enclosed is a letter from myself as the President of the National Association of Bankruptcy Trustees and Greta M. Brouphy, Co-Chair of the Rules Committee regarding proposed changes to Bankruptcy Rule 2003-24-BK-G sent to the Advisory Committee on Bankruptcy Rules.

If you have any questions regarding the attached letter, please feel free to reach out to us.

Sincerely,

Russell D. Garrett NABT President

**Enclosure** 



National Association Rules Suggestion 25-BK-C of Bankruptcy Trustees

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Advisory Committee on Bankruptcy Rules
Administrative Office of the United States Courts
Thurgood Marshall Federal Judiciary Building
One Columbus Circle, NE
Washington, D.C. 20544

Dear Members of the Advisory Committee on Bankruptcy Rules,

The National Association of Bankruptcy Trustees (NABT) is a professional organization representing the interests of Chapter 7 and Subchapter V Chapter 11 bankruptcy trustees (Trustees). The NABT provides education, resources, and advocacy for its members, helping them stay informed about legal developments and best practices in the field of bankruptcy.

We are writing to suggest a modification to the current procedures governing the meetings of creditors, specifically under Section 341 of the Bankruptcy Code (11 U.S.C. § 341), formally allowing the Trustees to remotely conduct the meetings.

The COVID-19 pandemic necessitated numerous adjustments in how legal proceedings are conducted, including allowing remote meetings which were proven to be feasible and beneficial in many respects. As we move forward, continuing to leverage remote technology for meetings of creditors offers several advantages:

Increased Accessibility: Remote meetings make it easier for creditors, debtors, and their legal representatives to attend without the need for travel, thereby reducing costs and logistical challenges.

Enhanced Efficiency: Conducting meetings remotely streamlines the process, saving time for all parties involved and allowing trustees to manage their caseloads more effectively.

Safety and Public Health: Remote meetings reduce the need for in-person gatherings, which is particularly important in maintaining public health and safety.

Environmental Benefits: Reducing the need for travel can also contribute to environmental conservation efforts by lowering carbon emissions associated with transportation.

Federal Rules of Bankruptcy Procedure, Rule 2003(a) provides:

"... The meeting may be held at a regular place for holding court or at any other place designated by the United States trustee within the district convenient for the parties in interest. If the United States trustee designates a place for the meeting which is not regularly staffed by the United States trustee or an assistant who may preside at the meeting, the meeting may be held not more than 60 days after the order for relief."

To comply with Rule 2003, the USTP Interim Procedures currently provide:

"For purposes of conducting virtual 341 meetings, the trustee should be physically located within their applicable district. The virtual meeting should be conducted at the trustee's primary business location or such other location in the district that is approved by the UST. The trustee may not conduct 341 meetings from outside their district unless there is prior approval by the UST and appropriate decorum is maintained. If the trustee's office is located in an adjacent district, the trustee may conduct the virtual 341 meeting at their office if approved by the UST."

While the current location requirements of Rule 2003 makes sense when applied to in-person meetings, today's hybrid legal working environment that incorporates remote practices necessitates an update to conform with today's modern shift to a legal profession that has embraced remote practicing. Rule 2003(a) should be updated to specifically provide guidance for trustees when conducting remote meetings.

Several trustees have commented that due to the pandemic and the move to conducting remote meetings of creditors under Section341 over the past three years, they no longer have an office in the district in which they are appointed to conduct remote meetings for various reasons. They would like to be able to conduct remote meetings from any location including locations outside of the district in which they were appointed. The Trustees would like the flexibility to conduct the meetings from any location when work or life necessitates traveling from the district in which they are appointed.

The NABT urges the Advisory Committee to consider the following procedural adjustments:

- (1) Deem the remote meeting to take place in the district that the court appointing the trustee is located no matter where the parties, including the trustee, and their counsel are located.
- (2) Specifically authorize the trustee to administer oaths under federal law in the jurisdiction where the bankruptcy is pending for purposes of all parties no matter where they are located.
- (3) So long as the trustee can positively identify the witness, the trustee may administer the oath remotely.

We believe that adopting these changes would significantly benefit the bankruptcy process by making it more adaptable, efficient, and inclusive for all parties. We respectfully request that the Advisory Committee consider this proposal and evaluate its potential to improve the administration of bankruptcy proceedings.

Sincerely,

Greta M. Brouphy

Co-Chair of the Rules Committee

Russ Garrett

NABT President