## UNITED STATES BANKRUPTCY COURT MIDDLE DISTRICT OF LOUISIANA

## **STANDING ORDER 2022-2**

## FEES OF CHAPTER 13 DEBTOR'S COUNSEL

Considering the court's longstanding practice of prescribing a "no look" fee for chapter 13 debtor's counsel that is presumptively reasonable under 11 U.S.C. § 330(a) and eliminates the necessity of filing fee applications; the history of increases in the fee through oral rulings; the consensus of the bar and the chapter 13 trustee; and balancing the demands on debtor's counsel against the interests of unsecured creditors;

IT IS ORDERED that effective for chapter 13 cases filed on or after February 24, 2021, unless the court orders otherwise, \$4,000 is a reasonable "no look" fee for debtor's counsel.<sup>4</sup>

IT IS FURTHER ORDERED in accordance with Local Rule 2016-2 that the scope of representation for the "no look" fee includes all matters in the main bankruptcy case (i) for one year from the filing of the petition and (ii) after plan completion through discharge, including but not limited to the following:

<sup>&</sup>lt;sup>1</sup> The Fifth Circuit endorsed bankruptcy courts' practice of adopting a chapter 13 "no look fee" in *Matter of Riley*, 923 F.3d 433, 436 (5th Cir. 2019), and *In re Cahill*, 428 F.3d 536, 540-42 (5th Cir. 2005).

 $<sup>^2</sup>$  In April 2013, the court increased the "no look fee" by \$400, from \$2,600 to \$3,000. *In re Porch*, case no. 10-10025 [P-116].

<sup>&</sup>lt;sup>3</sup> The debtors' bar raised the issue of a fee increase in July 2020 at a bench-bar meeting after which the bar and the chapter 13 trustee agreed to discuss proposals for an adjusted "no look" fee. The court considered the fee again at a February 24, 2021 hearing on an application for compensation in *In re Gauthier*, case no. 20-10776 [P-31]. The debtors' bar and the chapter 13 trustee represented at the hearing that they had agreed to propose a fee increase to \$4,000.

<sup>&</sup>lt;sup>4</sup> Debtors' counsel may also be reimbursed for the filing fees paid to the Clerk of Court on the debtors' behalf.

- 1. All preconfirmation matters, including plan amendments;
- 2. Claim objections that bear on confirmation, including objections to secured claims and objections to unsecured claims when the plan proposes a 100% distribution or other substantial distribution to unsecured creditors;
- 3. Defense of stay relief motions and negotiations of consent orders;
- 4. Motions to sell real estate, borrow funds and use tax refunds;
- 5. Motions for new trial or to vacate dismissal or conversion (if a plan has not been confirmed); and
- 6. All contested matters, except motions for hardship discharge.

IT IS FURTHER ORDERED that representation in the following matters is not included in the "no look" fee:

- 1. Adversary proceedings;
- 2. Representation after conversion or dismissal is final and non-appealable, except motions for new trial or to vacate dismissal or conversion when a plan had not been confirmed; and
- 3. Motions for hardship discharge.

IT IS FURTHER ORDERED that the "no look" fee is payable by the chapter 13 trustee from property of the estate over the first five months of the plan, with payments commencing upon confirmation of the debtor's plan.

IT IS FURTHER ORDERED that debtor's counsel seeking compensation in chapter 13 cases that have not reached confirmation or seeking compensation in excess of the prevailing "no look" fee shall file applications for compensation in accordance with 11 U.S.C. §§ 329 and 330(a), Fed. R. Bankr. P. 2016 and Local Rules 2016-1 and 2016-2.

IT IS FURTHER ORDERED that this order is without prejudice to any challenge by the chapter 13 trustee and United States Trustee to the reasonableness of fees sought by debtor's counsel in in any case.

Baton Rouge, Louisiana, January 26, 2022.

<u>s/ Douglas D. Dodd</u> DOUGLAS D. DODD UNITED STATES BANKRUPTCY JUDGE