Administrative Office of the U.S. Courts

Department of Program Services / Case Management Systems Office

CN/ECF Release Notes for PACER Users

Trustee Services Rendered Under § 330(e)

November 2021

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1 Introduction

On January 12, 2021, the President signed into law the <u>Bankruptcy Administration Improvement Act of 2020 (BAIA)</u>. Among several provisions of significance to the judiciary, the BAIA amends section 330 of the Bankruptcy Code (<u>11 U.S.C. § 330</u>) to include a new subsection (e); this subsection establishes a new payment for trustees serving in chapter 7 bankruptcy cases, funded by excess collections in the U.S. Trustee System Fund and paid by the judiciary.

A chapter 7 trustee serving in a case filed under chapter 7 on or after January 12, 2021, and through September 30, 2026 (or a case originally filed under chapters 11, 12, or 13 on or after January 12, 2021, and later converted to chapter 7 on or before September 30, 2026), is eligible to receive up to \$60 in compensation for each applicable case.

This new payment supplements the existing payment for trustees serving in chapter 7 cases. The trustees will receive this new payment from the Chapter 7 Trustee Fund established by section 330(e)(1). Chapter 7 Trustees will be required to certify that they are eligible to receive the payment through the filing of a new CM/ECF event "Trustee Services Rendered Pursuant to 330(e)". Use of any other CM/ECF event will result in a delay in payment or failure of the Chapter 7 Trustee being identified as eligible for payment.

Chapter 7 Trustees should review the Interim Regulations for Trustee Payments Under 11 U.S.C. § 330(e) available on www.uscourts.gov > Rules & Policies > Judiciary Policies > Bankruptcy Case Policies for guidelines regarding the new payment available per BAIA. Chapter 7 Trustees should refer specifically to Section 5: Trustee Eligibility for Payment, Section 6: Disbursing Section 330(e) Payments, and Section 7: Claims for Section 330(e) Payment.

This document summarizes the changes you may notice when you use CM/ECF in a U.S. Bankruptcy Court in compliance with the BAIA. Certain features are court configurable; courts may choose not to implement all of them. Thus, what you see in particular courts may vary.

2 Process for Payment

Per Section 6: Disbursing Section 330(e) Payments of the Interim Regulations for Trustee Payments Under 11 U.S.C. § 330(e), payments are made after the certification has been filed, the amount available has been determined, and the funds are available in the Chapter 7 Trustee Fund. Payments will not be issued until after the end of the applicable fiscal year and are issued without regard to the timing of the payment made under 11 U.S.C. § 330(b).

For Fiscal Year 2021 and because BAIA was signed into law on January 12, 2021, Chapter 7 Trustees will need to review all assigned cases filed on or after January 12, 2021, and through September 30, 2021 (or a case originally filed under chapters 11, 12, or 13 on or after January 12, 2021, and later converted to chapter 7 through September 30, 2021). Chapter 7 Trustees will then need to retroactively make a claim for payment under 11 U.S.C. § 330(e) by filing a "Trustee Services Rendered Pursuant to 330(e)" event to certify they are eligible for payment.

For Fiscal Year (Oct 1 to Sept. 30) 2022 through 2026, Chapter 7 Trustees may make a claim for payment under 11 U.S.C. § 330(e) by filing a "Trustee Services Rendered Pursuant to 330(e)" event to certify they are eligible for payment no sooner than seven days after the trustee has been notified of selection in a case. See: Fed. R. Bankr. P. 2008. The certification required should be filed no later than 90 days after the later of the following two events:

- (A) The judiciary posting the annual notice on its public website that payments can commence for the prior fiscal year; or
 - (B) The event that supports the certification that the trustee has rendered services under subparagraph (a)(3).

If a certification is filed in error or, for any other reason, the certification needs to be withdrawn, Chapter 7 Trustees must immediately file a "Withdrawal of Trustee Services Rendered Pursuant to 330(e)" event. The certification may not be withdrawn after payment has been issued. A certification may be re-filed if necessary and applicable.

When the funds are available for payments under 11 U.S.C. § 330(e), Courts will use a Trustee Services Rendered report to identify the Trustees to be paid based on the "Trustee Services Rendered Pursuant to 330(e)" event filed. After courts have processed payment, courts will docket a Trustee Payment Under 11 U.S.C. 330(e) Processed event.

3 New CM/ECF Docket Event: Trustee Services Rendered Pursuant to 330(e)

Chapter 7 Trustees must make a claim for payment under 11 U.S.C. § 330(e) by filing a "Trustee Services Rendered Pursuant to 330(e)" event to certify they are eligible for payment for a case that meets the BAIA criteria.

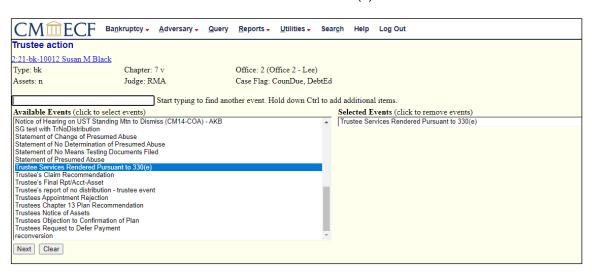
1. Click Bankruptcy > Trustee/US Trustee menu:



2. Enter the case number:



3. Select the Trustee Services Rendered Pursuant to 330(e) event:



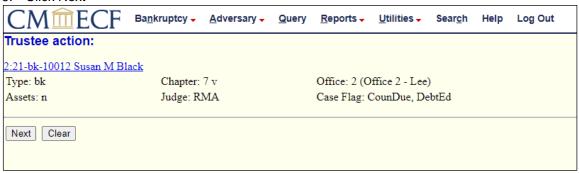
Select the Trustee who is making the claim for payment under 11 U.S.C. § 330(e):



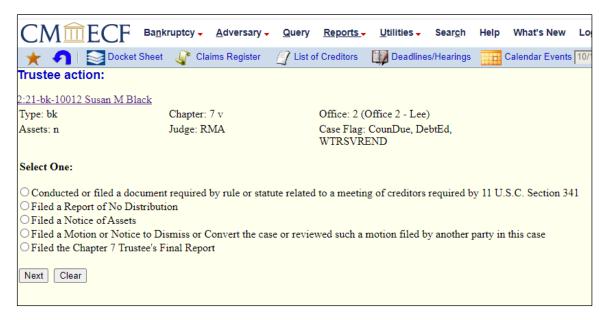
5. Pending court configuration, filers may be prompted with the option to link the attorney/party. Deselect the check box and click Next:



6. Click Next



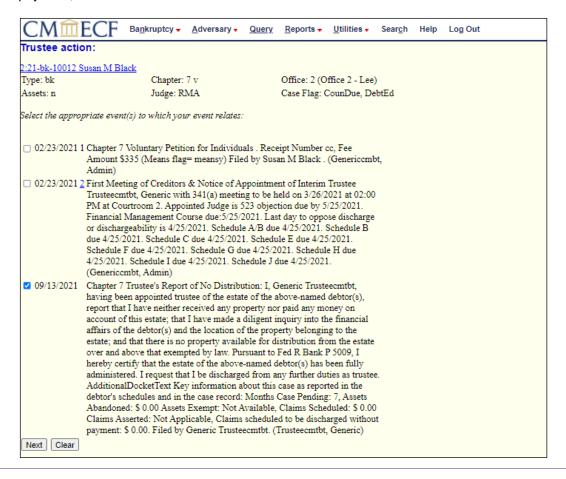
7. From this menu, select the duty the trustee performed for certifying that the trustee has rendered services and is eligible to make the claim for payment:



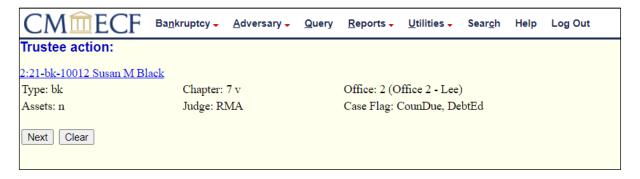
8. Select the corresponding document or docket entry that supports the previous selection for certifying the claim for payment. First, select the category to which the event relates; click Next.



Second, select the appropriate event(s) related to the duty selected previously for certifying the claim for payment; click Next:



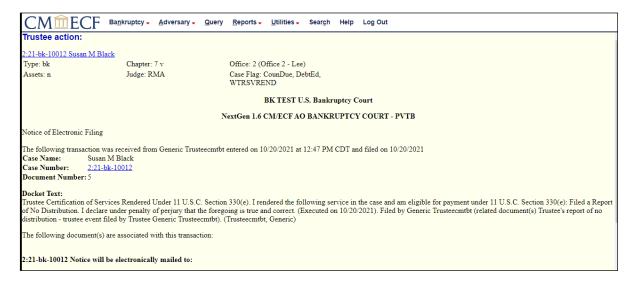
9. Click Next:



10. Review final docket text; click Next:



11. Docketing is complete upon receipt of the Notice of Electronic Filing (NEF):



4 New CM/ECF Docket Event: Withdrawal of Trustee Services Rendered Pursuant to 330(e)

If necessary, Chapter 7 Trustees may withdraw the Trustee Services Rendered Pursuant to 330(e) event by filing a "Withdrawal of Trustee Services Rendered Pursuant to 330(e)". This is the only event that a trustee should use to withdraw the Trustee Services Rendered Pursuant to 330(e) event. Chapter 7 Trustees cannot withdraw a Trustee Services Rendered Pursuant to 330(e) event after the court has processed the payment.

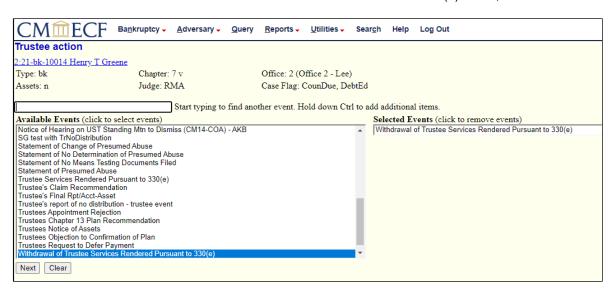
1. Click Bankruptcy > Trustee/US Trustee menu:



2. Enter the case number; click Next



3. Select the Withdrawal of Trustee Services Rendered Pursuant to 330(e) event; click Next



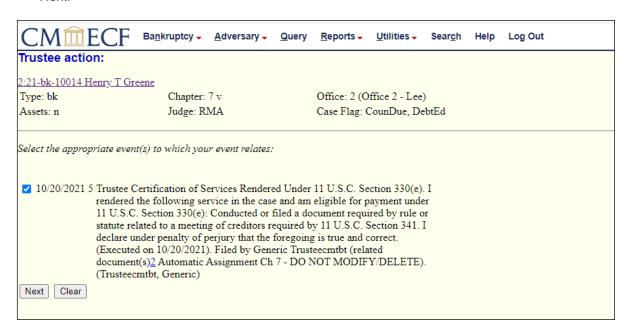
4. Select the Trustee who is withdrawing the claim for payment under 11 U.S.C. § 330(e):



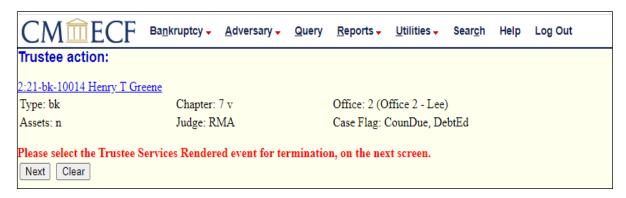
5. Pending court configuration, filers may be prompted with the option to link the attorney/party. Deselect the check box and click Next:



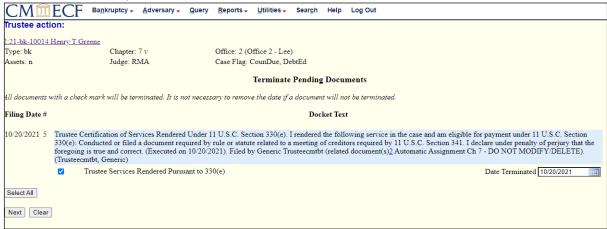
6. Select the appropriate event(s) to which your withdrawal event is related. The default will be the previously filed Trustee's Certification of Services Rendered Under U.S.C. Section 330(e) event; click Next.



7. The next process will be to terminate the previously filed Trustee's Certification of Services Rendered Under U.S.C. Section 330(e) event; click Next.



8. Terminate the previously filed Trustee's Certification of Services Rendered Under U.S.C. Section 330(e) event by checking the box next to "Trustee Services Rendered Pursuant to 330(e);" do not alter the Date Terminated; click Next.



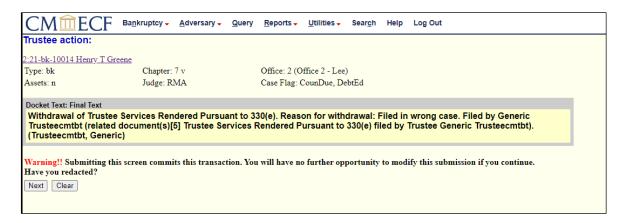
9. Enter the reason for withdrawal; click Next



10. Click Next



11. Review final docket text; click Next:



12. Docketing is complete upon receipt of the Notice of Electronic Filing (NEF):

