



THE FOLLOWING ORDER
IS APPROVED AND ENTERED
AS THE ORDER OF THIS COURT:

DATED: February 13, 2019

A handwritten signature in black ink, appearing to read "G. Michael Halfenger". The signature is written over a horizontal line.

G. Michael Halfenger
Chief United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF WISCONSIN

In re:

Kristopher O. Hill and Jody L. Hill,

Case No. 18-30063-GMH

Debtors.

Chapter 13

ORDER DENYING CONFIRMATION OF CHAPTER 13 PLAN

On October 25, 2018, the debtors filed a chapter 13 plan. ECF No. 2. The plan does not include any provisions in section 3.2; however, the debtors state, in section 8.1, that “[t]o the extent the Health Care Credit Union personal loan is secured by the Debtors’ vehicles or accounts by virtue of cross-collateralization language in the loan documents, there is insufficient equity in the collateral to attach to and secure the debt. As such, the personal loan, scheduled in the amount of \$1,866.10, shall be treated as a general unsecured claim.” *Id.* at §8.1.

This is not the proper procedure for valuation of a secured claim in the model chapter 13 plan. Such valuation requests are to be included in section 3.2 of the chapter 13 plan form, because they are requests “for valuation of security”. In addition, there is no evidence in the record to demonstrate that the debtors served the plan on Health Care Credit Union as required by Federal Rule of Bankruptcy Procedure 3012(b).

Accordingly, the court denies confirmation of the chapter 13 plan; the debtors may file a motion to amend the plan, but they must do so within 21 days of entry of this order.

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