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3 UNITED STATES BANKRUPTCY COURT
4 EASTERN DISTRICT OF CALIFORNIA
5 SACRAMENTO DIVISION
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8 In re:)
9) Case No. 05-34477-B-13L
10 Gary/Rebecca Lawson) Docket Control No. GG-8
11 Debtors.) Date: January 17, 2007
12) Time: 9:30 a.m.

13 On or after the calendar set forth above, the court issued
14 the following ruling. The official record of the ruling is
appended to the minutes of the hearing.

15 Because the ruling constitutes a "reasoned explanation" of
16 the court's decision under the E-Government Act of 2002 (the
"Act"), a copy of the ruling is hereby posted on the court's
17 Internet site, www.caeb.uscourts.gov, in a text-searchable
format, as required by the Act. However, this posting does not
18 constitute the official record, which is always the ruling
appended to the minutes of the hearing.

19 **DISPOSITION AFTER ORAL ARGUMENT**

20 Neither the respondent within the time for opposition nor
21 the movant within the time for reply has filed a separate
22 statement identifying each disputed material factual issue
23 relating to the motion. Accordingly, both movant and respondent
24 have consented to the resolution of objection and all disputed
25 material factual issues pursuant to F.R. Civ. P. 43(e). LBR
26 9014-1(f)(1)(ii) and (iii).

27 The objection to claim is sustained in part and overruled in
28 part. The objection is sustained to the extent that it contests

1 the debtors' personal liability on the claim. The objection is
2 overruled to the extent that it contests the enforceability of
3 the claim against certain of the debtors' property. If all of
4 the debtors' property which secures the claim is abandoned in the
5 debtors' plan, neither the debtors nor their remaining property
6 will have any liability as to the claim.

7 The debtors argue in their supplemental brief that the Claim
8 should be disallowed in its entirety because they intend to
9 surrender the collateral secured by the claim. This argument is
10 not persuasive. Claims in bankruptcy are determined as of the
11 petition date. 11 U.S.C. § 502. How a claim is provided for in a
12 plan is irrelevant to whether the claim was valid on the petition
13 date. Claims that are enforceable against either the debtor or
14 the property of the debtor are allowed pursuant to 11 U.S.C.
15 Section 502(b)(1). The lack of privity between claimant and the
16 debtors "extinguishes only one mode of enforcing a claim -
17 namely, an action against the debtor in personam, while leaving
18 intact another - namely, an action against the debtor in rem."
19 See Johnson v. Home State Bank, 501 U.S. 78, 84-85 (1991).

20 Creditor Connie Abram's request for a briefing schedule for
21 the purpose of briefing Abram's potential claims is denied. The
22 debtor's filed this objection on November 7, 2006, pursuant to
23 Local Bankruptcy Rule 3007-1(d)(1). Pursuant to that rule,
24 opposition shall be in writing and served and filed with the
25 Court by the responding party at least 14 days preceding the date
26 of the hearing. The creditor has had ample time to review the
27 debtors' objection, which, the court notes, is only four
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1 paragraphs long. If, as the creditor suggests, she is entitled
2 to an administrative claim the court will consider her request if
3 and when she files an application for such a claim.

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