



**UNITED STATES BANKRUPTCY COURT**  
Eastern District of California

Honorable Christopher M. Klein  
Bankruptcy Judge  
Sacramento, California

**October 28, 2025 at 1:30 p.m.**

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Unless otherwise ordered, all matters before the Honorable Christopher M. Klein shall be simultaneously: (1) **In Person**, at Sacramento Courtroom #35, (2) via **ZoomGov Video**, (3) via **ZoomGov Telephone**, and (4) via **CourtCall**.

You may choose any of these options unless otherwise ordered or stated below.

All parties who wish to appear at a hearing remotely must sign up by 4:00 p.m. **one business day** prior to the hearing. Information regarding how to sign up can be found on the **Remote Appearances** page of our website at <https://www.caeb.uscourts.gov/Calendar/CourtAppearances>. Each party who has signed up will receive a Zoom link or phone number, meeting I.D., and password via e-mail.

If the deadline to sign up has passed, parties who wish to appear remotely must contact the Courtroom Deputy for the Department holding the hearing.

Please also note the following:

- Parties in interest may connect to the video or audio feed free of charge and should select which method they will use to appear when signing up.
- Members of the public and the press appearing by ZoomGov may only listen in to the hearing using the zoom telephone number. Video appearances are not permitted.
- Members of the public and the press may not listen in to trials or evidentiary hearings, though they may appear in person in most instances.

To appear remotely for law and motion or status conference proceedings, you must comply with the following guidelines and procedures:

1. Review the [Pre-Hearing Dispositions](#) prior to appearing at the hearing.
2. Parties appearing via CourtCall are encouraged to review the [CourtCall Appearance Information](#).

If you are appearing by ZoomGov phone or video, please join at least 10 minutes prior to the start of the calendar and wait with your microphone muted until the matter is called.

**Unauthorized Recording is Prohibited:** Any recording of a court proceeding held by video or teleconference, including "screen shots" or other audio or visual copying of a hearing is prohibited. Violation may result in sanctions, including removal of court-issued medical credentials, denial of entry to future hearings, or any other sanctions deemed necessary by the court. For more information on photographing, recording, or broadcasting Judicial Proceedings, please refer to Local Rule 173(a) of the United States District Court for the Eastern District of California.

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UNITED STATES BANKRUPTCY COURT  
Eastern District of California

Honorable Christopher M. Klein  
Bankruptcy Judge  
Sacramento, California

October 28, 2025 at 1:30 p.m.

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1. [20-23836](#)-C-13 CHARLES/KATHY JONES MOTION FOR THE DETERMINATION OF  
[CYB](#)-1 Candace Brooks THE COMPLETION OF THE DEBTORS'  
PLAN  
10-14-25 [[51](#)]

**Tentative Ruling:**

The Motion has been set on Local Rule 9014-1(f)(2) notice which requires 14 days' notice. The Proof of Service shows that 14 days' notice was provided. Dkt. 54.

**The Motion for a Determination of Completion of Debtors' Chapter 13 Plan is ~~XXXXXXXXXX~~**

This Motion for Determination of Completion of Chapter 13 Plan has been filed by Charles and Kathy Jo Jones ("Debtors"). Debtors represent that the IRS filed an amended Proof of Claim that included priority tax amounts for the 2020 tax year, which the Chapter 13 Trustee paid through the Chapter 13 Plan.

Debtors assert they did not pay the 2020 taxes outside of the plan because they relied on the payment of the taxes through the plan by the Chapter 13 Trustee and it will be prejudicial to them if the Trustee now seeks a return of the funds to pay general unsecured creditors.

DISCUSSION

At the hearing ~~XXXXXXXXXX~~

The court shall issue a minute order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Motion for Determination of Completion of Debtors' Chapter 13 Plan filed by Debtors Charles and Kathy Jo Jones having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

**IT IS ORDERED** that the Motion for Determination of Completion of Debtors' Chapter 13 Plan is ~~XXXXXXXXXX~~

2. [25-22837](#)-C-13 GERMAINE CARTER  
[KMM](#)-1 Peter G. Macaluso

CONTINUED OBJECTION TO  
CONFIRMATION OF PLAN BY VW  
CREDIT, INC.  
8-11-25 [[42](#)]

**Tentative Ruling:**

The Objection has been set on Local Rule 9014-1(f)(2) notice which requires 14 days' notice. The Proof of Service shows that 57 days' notice was provided. Dkt. 45.

**The Objection to Confirmation of Plan is sustained.**

Creditor VW Credit, Inc. ("Creditor") opposes confirmation of the Chapter 13 plan on the basis that:

1. The plan fails to fully provide for Creditor's claim;
2. The interest rate on Creditor's claim is too low;
3. The plan is not feasible.

**DEBTOR'S OPPOSITION**

Debtor filed an Opposition on September 30, 2025. Dkt. 61. Debtor represents that Motion to Value Collateral is scheduled for October 14, 2025. Debtor asserts that 8.5% interest is the proper rate given the risk associated with the case.

**DISCUSSION**

The plan at Section 3.02 provides that Creditor's Proof of Claim, *and not the plan*, determines the amount and classification of a claim.

Notwithstanding whether the plan fully provides the claim as Creditor argues, the debtor has not carried his burden to show the plan is adequately funded. That is reason to deny confirmation. 11 U.S.C. § 1325(a)(6).

Creditor opposes confirmation on the basis that the plan proposes paying its claim at 6.00 percent interest. Creditor argues that this interest rate is outside the limits authorized by the Supreme Court in *Till v. SCS Credit Corp.*, 541 U.S. 465 (2004). In *Till*, a plurality of the Court supported the "formula approach" for fixing post-petition interest rates. *Id.* Courts in this district have interpreted *Till* to require the use of the formula approach. See *In re Cachu*, 321 B.R. 716 (Bankr. E.D. Cal. 2005); see also *Bank of Montreal v. Official Comm. of Unsecured Creditors (In re American Homepatient, Inc.)*, 420 F.3d 559, 566 (6th Cir. 2005) (*Till* treated as a decision of the Court). Even before *Till*, the Ninth Circuit had a preference for the formula approach. See *Cachu*, 321 B.R. at 719 (citing *In re Fowler*, 903 F.2d 694 (9th Cir. 1990)).

The court agrees with the court in *Cachu* that the correct valuation of the interest rate is the prime rate in effect at the commencement of this

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case plus a risk adjustment. Because the creditor has only identified risk factors common to every bankruptcy case, the court fixes the interest rate as the prime rate in effect at the commencement of the case, 7.50%, plus a 1.25% risk adjustment, for a 8.75% interest rate.

That is reason to deny confirmation. Therefore, the Objection is sustained.

The court shall issue a minute order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Objection to the Chapter 13 Plan filed by VW Credit, Inc., having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

**IT IS ORDERED** that the Objection is sustained.

3. [25-22837](#)-C-13 GERMAINE CARTER  
[LGT](#)-1 Peter G. Macaluso

CONTINUED OBJECTION TO  
CONFIRMATION OF PLAN BY LILIAN  
G. TSANG  
8-29-25 [[46](#)]

**Tentative Ruling:**

The Objection has been set on Local Rule 9014-1(f)(2) notice which requires 14 days' notice. The Proof of Service shows that 39 days' notice was provided. Dkt. 49.

**The Objection to Confirmation of Plan is sustained.**

The Chapter 13 Trustee, Lilian Tsang ("Trustee"), opposes confirmation of the Chapter 13 plan on the basis that:

1. Plan relies on a Motion to Value Collateral that has not been filed or decided;
2. Plan fails to provide for all of debtor's projected disposable income;
3. Debtor has been unable to explain numerous deposits in debtor's accounts.

**DEBTOR'S OPPOSITION**

Debtor filed an Opposition on September 30, 2025. Dkt. 62. Debtor represents that Motion to Value Collateral is scheduled for October 14, 2025. Debtor requests a continuance to continue to resolve the Trustee's issues.

**DISCUSSION**

The plan proposes valuing the secured claim of Audi Finacial. Before the court enters an order valuing that secured claim, the plan's feasibility is uncertain.

The plan proposes a monthly payment that is less than all of the debtor's disposable income. That is reason to deny confirmation. 11 U.S.C. § 1325(b) (1).

That is reason to deny confirmation. Therefore, the Objection is sustained.

The court shall issue a minute order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Objection to the Chapter 13 Plan filed by the Chapter 13 Trustee, Lilian Tsang, having been presented to

the court, and upon review of the pleadings, evidence,  
arguments of counsel, and good cause appearing,

**IT IS ORDERED** that the Objection is sustained.

4. [23-24661](#)-C-13 NIKKI ROCKWELL  
[MRL](#)-1 Mikalah Liviakis

MOTION TO MODIFY PLAN  
9-12-25 [[27](#)]

**Final Ruling:** No appearance at the October 27, 2025 hearing is required.  
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The Motion has been set on Local Rule 9014-1(f)(1) procedure which requires 35 days' notice. The Proof of Service shows that 46 days' notice was provided. Dkt. 33.

No opposition has been filed. Therefore, the court enters the defaults of the non-responding parties in interest, finds there are no disputed material factual issues, and determines the matter will be resolved without oral argument. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995); *Law Offices of David A. Boone v. Derham-Burk (In re Eliapo)*, 468 F.3d 592, 602 (9th Cir. 2006).

**The Motion to Modify is granted.**

The debtor filed this Motion seeking to modify the terms of the confirmed plan pursuant to 11 U.S.C. § 1329.

No opposition to the Motion has been filed.

Upon review of the record, the court finds the plan complies with 11 U.S.C. §§ 1322, 1325(a), and 1329. The Motion is granted, and the plan is confirmed.

The court shall issue a minute order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Motion to Modify Plan filed by the debtor, Nikki Rockwell, having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

**IT IS ORDERED** that the Motion is granted, the Modified Chapter 13 Plan (Dkt. 31) meets the requirements of 11 U.S.C. §§ 1322, 1325(a), and 1329, and the plan is confirmed. The Chapter 13 Trustee shall prepare an appropriate order confirming the Chapter 13 plan and submit the proposed order to the court.



5. [25-20280](#)-C-13 NICOLAS GOMEZ AND MOLLY CONTINUED MOTION TO CONFIRM  
[GEL](#)-1 MCGUIRE PLAN  
Gabriel E. Liberman 8-26-25 [[35](#)]

**Final Ruling:** No appearance at the October 27, 2025 hearing is required.  
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The Motion has been set on Local Rule 9014-1(f)(1) procedure which requires 35 days' notice. The Proof of Service shows that 39 days' notice was provided. Dkt. 43.

No opposition has been filed. Therefore, the court enters the defaults of the non-responding parties in interest, finds there are no disputed material factual issues, and determines the matter will be resolved without oral argument. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995); *Law Offices of David A. Boone v. Derham-Burk (In re Eliapo)*, 468 F.3d 592, 602 (9th Cir. 2006).

**The Motion to Confirm is granted.**

The debtors filed this Motion seeking to confirm the Amended Chapter 13 Plan (Dkt. 39) filed on August 26, 2025.

No opposition to the Motion has been filed.

Upon review of the record, the court finds the plan complies with 11 U.S.C. §§ 1322 and 1325(a). The Motion is granted, and the plan is confirmed.

The court shall issue a minute order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Motion to Confirm filed by the debtors, Nicolas Gomez, Jr., and Molly McGuire, having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

**IT IS ORDERED** that the Motion is granted, the debtor's Amended Chapter 13 Plan (Dkt. 39) meets the requirements of 11 U.S.C. §§ 1322 and 1325(a), and the plan is confirmed. The Chapter 13 Trustee shall prepare an appropriate order confirming the Chapter 13 plan and submit the proposed order to the court.

6. [25-22891](#)-C-13 KENNETH DONOHUE  
[MFC](#)-2 Peter Macaluso

MOTION TO RECONVERT CASE FROM  
CHAPTER 13 TO CHAPTER 7  
10-14-25 [[61](#)]

**Tentative Ruling:**

The Motion has been set on Local Rule 9014-1(f)(2) notice which requires 14 days' notice. A Proof of Service has not been filed.

**The Motion to Reconvert the Chapter 13 Bankruptcy Case to a Case under Chapter 7 is ~~XXXXXXXXXXXX~~**

This Motion to Reconvert the Chapter 13 bankruptcy case of Kenneth Donohue ("Debtor") has been filed by Laurie Donohue ("Movant"). Movant asserts that the case should be dismissed or converted based on the following grounds:

A. Undue delay prejudicial to creditors because Debtor has not filed and set a confirmation hearing on an amended plan since confirmation was denied on August 28, 2025;

B. Debtor did not complete and file all documents requested by the Chapter 13 Trustee; and

C. The totality of the circumstances demonstrate Debtor's bad faith in converting the case to Chapter 13.

**DEBTOR'S OPPOSITION**

Debtor filed an Opposition on October 21, 2025. Dkt. 69. Debtor states that he filed an amended plan and set a hearing for confirmation on November 25, 2025. Additionally, debtor asserts he has filed all documents and Schedules. Finally, Debtor contends that he is current on plan payments and has made payments totaling \$5,700.00 to date.

**APPLICABLE LAW**

Questions of conversion or dismissal must be dealt with a thorough, two-step analysis: "[f]irst, it must be determined that there is 'cause' to act[;] [s]econd, once a determination of 'cause' has been made, a choice must be made between conversion and dismissal based on the 'best interests of the creditors and the estate.'" Nelson v. Meyer (In re Nelson), 343 B.R. 671, 675 (B.A.P. 9th Cir. 2006) (citing Ho v. Dowell (In re Ho), 274 B.R. 867, 877 (B.A.P. 9th Cir. 2002)).

The Bankruptcy Code Provides:

[O]n request of a party in interest or the United States trustee and after notice and a hearing, the court may convert a case under this chapter to a case under chapter 7 of this title, or may dismiss a case under this chapter, whichever is in the best interests of creditors and the estate, for cause . . . .

11 U.S.C. § 1307(c). The court engages in a "totality of circumstances" test, weighing facts on a case-by-case basis and determining whether cause exists, and if so, whether conversion or dismissal is proper. *Drummond v. Welsh* (In re *Welsh*), 711 F.3d 1120, 1123 (9th Cir. 2013) (citing *Leavitt v. Soto* (In re *Leavitt*), 171 F.3d 1219 (9th Cir. 1999)). Bad faith is one of the enumerated "for cause" grounds under 11 U.S.C. § 1307. *Nady v. DeFrantz* (In re *DeFrantz*), 454 B.R. 108, 112 n.4 (B.A.P. 9th Cir. 2011) (citing *In re Leavitt*, 171 F.3d at 1224).

#### DISCUSSION

At the hearing **xxxxxxxxxx**

The court shall issue a minute order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Motion to Reconvert the Chapter 13 case filed by Laurie Donohue having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

**IT IS ORDERED** that the Motion to Reconvert is  
**xxxxxxxxxx**