BANKRUPTCY LOCAL RULES AMENDMENTS 2026

LOCAL RULE	EXPLANATION OF AMENDMENTS **Key:** blue = proposed new text; ~~strikethrough~~ = proposed deletion; green = text relocated within the rule; black = unchanged text shown for context.	PAGE NO(S) IN REDLINE VERSION
LBR 1007-2(c). Dismissal.	**RULE 1007-2(c). Dismissal.** If the master mailing list containing the names and addresses of each entity included or to be included on Schedules D, E/F, G, and H as required by Mont. LBR 1007-2(a) and 11 U.S.C. § 521(a)(1)(A), and the List of the 20 Largest Unsecured Creditors, if required by Fed. R. Bankr. P. 1007(d), are not filed with the petition, the Clerk will enter a Notice of Pending Dismissal for failure to file a Master Mailing List or List of the 20 Largest Unsecured Creditors explaining that if the missing list(s) are ~~is~~ not received before the expiration of the ~~seventh~~ fourteenth day following the date of the petition, the case will be dismissed without further notice or a hearing. *Rationale: Provides additional time to account for mailing and processing by the BNC.*	7
LBR 1017-1. Dismissal or Conversion.	**RULE 1017-1. Dismissal or Conversion.** (a) **Notice of Conversion from Chapter 12 or 13 to Chapter 7.** A debtor seeking a conversion under 11 U.S.C. §§ 1208(a) or 1307(a) to a case under Chapter 7 shall file a notice of conversion in compliance with Mont. LBF 10. No motion or court order is required. The filing date of the notice becomes the date of conversion. (b) **Motions and Notices to Dismiss or Convert Filed by Debtor.** (1) **Motion by Debtor for Conversion from Chapter 7 or 11.** A debtor seeking conversion under 11 U.S.C. § 706(a), if the case has not been previously converted from another chapter, shall file a motion for conversion to the desired chapter with a notice pursuant to Mont. LBR 9013-1(f). A debtor seeking conversion under 11 U.S.C. § 1112(a) or (d) shall file a motion for conversion to the desired chapter without a notice pursuant to Mont. LBR 9013-1(f). Such a motion will be granted without a hearing.	8-9

	(2) **Motion by Debtor for Dismissal from Chapter 7 With Notice.** A debtor seeking dismissal under 11 U.S.C. § 707(a) shall file a motion for dismissal, setting forth alleged facts showing no plain legal prejudice to creditors, with the notice required under Mont. LBR 9013-1(f). (3) **Motion by Debtor for Dismissal from Chapter 12 With Notice.** A debtor seeking dismissal under 11 U.S.C. § 1208(b) shall file a motion for dismissal with a notice pursuant to Mont. LBR 9013-1(f). (4) **Motion by Debtor for Dismissal from Chapter 13.** If the case has not been converted from another chapter, a debtor may seek dismissal of the case by filing with the clerk of the bankruptcy court a motion for voluntary dismissal pursuant to 11 U.S.C. § 1307(b) which may be ruled on without a hearing pursuant to Rule 9013-1(i)(2). The certificate of service must evidence that the motion for dismissal was served upon the Chapter 13 trustee and the United States trustee. ~~**(4) Notice of Conversion from Chapter 12 or 13 to Chapter 7.** A debtor seeking a conversion under 11 U.S.C. §§ 1208(a) or 1307(a) to a case under Chapter 7 shall file a notice of conversion in compliance with Mont. LBF 10. No motion or court order is required. The filing date of the notice becomes the date of conversion.~~ (c) **Motion to Dismiss or Convert Filed by Trustee or Other Party in Interest.** The trustee or other party in interest may file a motion to dismiss or convert a case to a case under another chapter in accordance with Fed. R. Bankr. P. 1017, by using Mont. LBF 27, with service of the motion on debtor, debtor's attorney, and trustee. The motion shall include a legal and factual basis for the motion and a notice pursuant to Mont. LBR 9013-1(e). ~~(d) **Dismissal of Related Title 11 Proceedings and Matters.** Whenever a case filed under Title 11 is dismissed, any related adversary proceeding, contested matter, or any other pending matter shall likewise be dismissed without prejudice and further order of the Court unless the Court orders otherwise. Cases with pending appeals may be~~	

	~~dismissed, but the dismissal of the case shall not be deemed to deprive any appellate court of its jurisdiction. Dismissal shall not be deemed to deprive the Bankruptcy Court of the authority to rule on the reasonableness of the professional fees and costs charged by debtor's attorney as provided for in Mont. LBR 2016-1(d).~~ (d~~e~~) **Trustee's Professional Fees.** When a Chapter 7 case is converted to another chapter, the Chapter7 trustee shall file an application for professional fees and costs within 30 days following the conversion. The fee application may be denied if it is not filed within the time allowed.	
LBR 3003-1. Proofs of Claim and Interest in Chapter 9 and 11 Cases.	**RULE 3003-1. Proofs of Claim and Interest in Chapter 9 and 11 Cases.** ~~(a)Time to file. Pursuant to Fed. R. Bankr. P. 3003(c)(3) and except as provided in subdivision(b)of this Local Rule, the last day to file proofs of claim in a Chapter 11 case shall be 90 days from the first date set for the meeting of creditors pursuant to 11 U.S.C. § 341(a). A governmental unit shall file a claim before 180 days after the date of the order for relief except as otherwise provided in the Federal Rules of Bankruptcy Procedure. The Clerk shall notify all creditors and parties in interest of such bar date.~~ ~~(b)Extension. The Court may, for cause shown, extend the deadline upon motion, notice, and hearing. If the notice for the meeting of creditors pursuant to 11 U.S.C. § 341(a) has been sent bythe clerk's office to creditors, the notification to creditors of an extension of the deadline to fileclaims will be the responsibility of debtor in possession and its counsel.~~ ~~(c)Proof of Claim filing deadline in a Subchapter V, Chapter 11 Case. The last day to file proofs of claim in a small business, subchapter V, chapter 11 case shall be seventy (70) days after the date of the order for relief. A claim of a governmental unit shall be filed no later than one hundred eighty (180) days after the date of the order for relief, except as otherwise provided in the Federal Rules of Bankruptcy Procedure. The clerk shall notify all creditors and parties in interest of such bar date.~~ (a) **Chapter 9 and Chapter 11.** The deadline for filing proofs of claim in a Chapter 9 or Chapter 11 case, excluding those Chapter 11 cases filed as small business debtors under	28

	Subchapter V, is 90 days from the date of the order for relief unless otherwise extended for cause. (b) **Chapter 11 Subchapter V Small Business Debtor.** The deadline for filing proofs of claim in a Chapter 11 case filed as a small business debtor under Subchapter V is 70 days from the date of the order for relief unless otherwise extended for cause. (c) **Governmental Units.** The deadlines set forth in subsections (a) and (b) above do not apply to governmental units filing proofs of claim, whose claims remain due 180 days from the order for relief as governed by 11 U.S.C. § 502(b)(9)(A) unless otherwise extended for cause. *Rationale: Proposed amendment to the proof of claim bar date in Chapter 11 cases. The rule just changes it to a flat 70 days following the petition for Sub V and 90 days for other Chapter 11 cases for all claims except government claims.*	
LBR 4002-6. Filing of Income Documentation for 60 Days Before Bankruptcy and Turnover of Income Documentation for 60 Days to Chapter 13 Trustee.	**RULE 4002-6. Filing of Income Documentation for 60 Days Before Bankruptcy and Turnover of Income Documentation for 60 Days to Chapter 13 Trustee.** a. At least 14 days before the meeting of creditors held pursuant to 11 U.S.C. § 341(a), debtor shall file with the Court copies of all payment advices and proof of income from all other sources received by debtor for the 60 days ending on the last day of the calendar month immediately preceding the case commencement. Debtors shall provide additional proof of income and expenses to U.S. Trustee as requested. In all Chapter 13 cases, debtors shall provide trustee income documentation for 60 days ending on the last day of the calendar month immediately preceding the case commencement. If no such payment advices or proof of income exists, debtors shall file with the Court a statement indicating they have no such documentation and why no such documentation exists.	41

	Rationale: This is useful information that all parties need and the question frequently arises.	
LBR 5005-2. Requirements for Papers, Attorneys, Parties, and Bankruptcy Petition Preparers.	**LBR 5005-2. Requirements for Papers, Attorneys, Parties, and Bankruptcy Petition Preparers.** **(a) Size and Format.** Filings and attachments must conform to these specifications: (1) be electronically filed in a flattened .pdf format, and self-represented litigants must use 8 ½ x11-inch paper; *Rationale: Flattened PDF documents are more compatible with the CM/ECF system.*	46
LBR 5071-1. Request for Continuance.	**RULE 5071-1. Request for Continuance.** Any party requesting the continuance of a trial, hearing, or conference shall: (a)file a motion seeking the continuance at least three business days before the scheduled trial, hearing, or conference; (b)advise the Court of the affected party's response to such request or what attempts have been made to gain each party's consent; and (c)give telephone notice of the date, time, and location of, and reason for, the continued hearing to all affected parties and file written confirmation of such notice with the Clerk within two days of receiving such information from the Court unless all affected parties receive electronic notice. (d) If multiple matters in the same case are set for the same date and hearing time, the motions for a continuance may be combined into a single motion. *Rationale: Language added to clarify the process.*	50
LBR 5074-1. Telephone, Video, or In-Person Conferences and Hearings.	**Rule 5074-1. Telephone, Video, or In-Person Conferences and Hearings.** (e) **Additional Information to be Provided for Remote Witnesses.** In addition to the Notice of Remote Appearance form, any party calling a witness desiring to appear by video that may be called to testify ("Remote Witness") shall also file the following information in the case at least three business days before the proceeding:	54

	Comment: For purposes of this rule, the three business days shall be counted consecutively ending on the business day immediately before the proceeding. This includes the day of the filing and concludes the day before the proceeding. **Alternate comment to address Judge Hursh's concerns:** Comment: The three-business-day period is computed under Fed. R. Bankr. P. 9006(a). The day of the proceeding is excluded, and the three business days immediately preceding the proceeding are counted. The filing is timely if made no later than the end of the third business day before the proceeding. For example, if a hearing is set for a Thursday, the filing is due no later than the preceding Monday. *Rationale: Adding comment to clarify how the three days should be counted.*	
LBR 7016-1(b)(4) & 7026(a)	Replace 7026-1(a) Initial Disclosures with 7016(b)(4). *Rationale: Moving 7016(b)(4) to the first part of 7026-1 made the provision more prominent and in the rule where it would be expected to be.*	58-59
NEW LBR 9019-2. Appointment of Settlement Judges	**NEW RULE 9019-2. Appointment of Settlement Judges** **(a) Appointment Order.** Upon a motion, oral request, stipulation of the parties, or sua sponte decision, the judge presiding over a particular adversary proceeding, bankruptcy case, or other bankruptcy-related matter may appoint another available active or recall status United States Judge from any judicial district to act as a settlement judge to assist in possible resolution of disputes. The details regarding the appointment of a particular settlement judge will be specified in an appointment order issued by the presiding judge. **(b) Process for Appointment.** (1) Any request for appointment of a settlement judge must first be proposed to the presiding judge. (2) If the parties propose the appointment of a particular judge as a settlement judge, then the presiding judge may either contact the potential settlement judge (directly or through court staff) or request that the parties contact the potential	75-76

	settlement judge to confirm that such judge is willing and able to serve as settlement judge. **(c) Judicial Immunity and Other Protections** (1) Any active or recall status judge appointed as a settlement judge will be so appointed because of a judicial position as, and to act in the specific capacity as a United States Judge. By serving as a settlement judge, such judge performs judicial duties. Accordingly, such judge and all persons assisting a settlement judge will have full, unqualified judicial immunity and all other privileges, immunities, and protections of a United States Judge and judiciary employees, regarding any matters arising from or related to such judge's role as settlement judge. (2) All parties participating in the settlement process: will automatically: A. waive and be unable to assert any claims or causes of action against the settlement judge or any court employees assisting with the settlement process that arise from or relate to the settlement process; and B. waive and be unable to seek to compel from the settlement judge or from any court employees assisting with the settlement process any oral or written testimony, document production (including, without limitation, regarding any records, reports, summaries, notes, communications, or other documents received or made by the settlement judge or any court employees while serving in such capacity), or other participation whatsoever in any litigation, judicial, arbitral, or other proceeding of any kind. (3) Before agreeing to serve, a proposed settlement judge may require the parties to sign an agreement memorializing the provisions of this subsection (c). **(d) Disqualification.** No judge may serve as a settlement judge if that judge would be disqualified under 28 U.S.C. § 144 if that judge were a district judge presiding over the matter or proceeding or under 28 U.S.C. § 455 if that judge were a justice, judge, or other judicial officer presiding over	

	the matter or proceeding, in each case unless the parties consent in writing after disclosure. *Rationale: Codifies current practice, sets out procedure for appointment of settlement judges, and provides for immunity, and disqualification.*	
Stylistic Change	Consistently capitalize the word Chapter when it refers to a specific chapter.	
Stylistic Change	Remove the index	78-80

	Substantive Form Changes	
LBF 1	**LBF 1.** APPLICATION TO APPROVE EMPLOYMENT OF PROFESSIONAL; AFFIDAVIT [MONT. LBR 2014-1] 1. Paragraph 6 of Application: ask for type of retainer—general, secured or other. **2.** Paragraph 4 of Affidavit: clarify type of retainer—general, secured or other.	
LBF 8: Notice of Opportunity to Respond to Motion to Modify Stay	**LBF 8:** Change notice back to old language to keep it in line with Rule 32(e).	
LBF 19	**LBF 19: Revised Chapter 13 Plan from Bob Drummond--Highlighted Changes:** 1. **Paragraph 1** – Added: "This plan will extend for a total term of ____ months." 2. **Paragraph 2(a) – Attorney Fees** – Added sentence regarding disbursements: "If the attorney fees are not subject to the presumption of reasonableness under Mont. LBR 2016-1(b), disbursements will be made to the lower classes as provided below until the Court enters the required Order approving fees." 3. **Paragraph 2(d) – Conduit Payments** – Added language to clarify whether ongoing mortgage payments are made through the trustee or debtor(s): * Includes checkboxes and a table for creditor information and current installment payments * Specifies payment disbursement method (Trustee or Debtor) 4. **Paragraph 6 – Report of Changes in Income** – Modified income change reporting threshold: *Changed from "$300 per month" to "10% change in income"	
LBF 31	**DELETE LBF 31**. SUPPLEMENTAL PERSONAL PROPERTY LIST [MONT. LBR 1007-1(g)] Supplemental personal property list.	

LBF 36	**DELETE LBF 36**. DECLARATION OF DEBTOR(S) UNDER PENALTY OF PERJURY [MONT. LBR 2003-5]	
New LBF 46	Notice Regarding Remote Witnesses Pursuant to LBR 5074-1(e)	