

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEBRASKA

IN THE MATTER OF:)	CASE NO. BK07-41515-TJM
)	
SEAN MICHAEL CAHILL and)	CH. 13
LORI ANN CAHILL,)	
)	
Debtor(s).)	

ORDER

Hearing was held in Lincoln, Nebraska, on November 5, 2008, regarding Filing No. 55, Motion to Suspend Plan Payments, filed by the debtors; Filing No. 56, Objection, filed by Riviera Owners Association, Inc.; and Filing No. 61, Response, filed by the debtors. Angelica McClure appeared for the debtors and Robert Kinsey appeared for Riviera Owners Association, Inc.

The debtors are operating under a confirmed Chapter 13 plan requiring a monthly payment of \$950.00. At the time of confirmation, both debtors were employed, but recently Mrs. Cahill has been temporarily laid off from her position. She now receives approximately \$230.00 per week in unemployment compensation, compared to approximately \$1,300.00 per month net income from her employment.

The debtors have filed a motion to suspend payments because of the significant decrease in net monthly income. They request a suspension for a two-month period, assuming that Mrs. Cahill will become re-employed soon.

A creditor with a large unsecured claim has objected on the basis that the reduction in net income resulting from the layoff is not so significant that the debtor should be excused from making any monthly payments.

The objection is overruled and the motion to suspend is granted. The reduction in net income is a significant number and the layoff has lasted longer than the employer suggested it actually would. Mrs. Cahill has no promise of re-employment soon, although the most recent letter from her employer suggested that she would be re-employed as soon as things got better at the operation.

This motion to suspend was filed in September of 2008, and asked for a two-month suspension. The hearing was not held until November 5, 2008, and, on the date of the hearing, she was still unemployed. Therefore, the suspension will be effective from September through December of 2008. If she is not re-employed by January 9, 2009, counsel for the debtors should either file a modified plan reflecting the debtors' then current income, or file a status report.

IT IS ORDERED that the motion to suspend payments, Filing No. 55, is granted. The suspension will be effective from September through December 2008.

DATED: November 2008

BY THE COURT:

/s/ Timothy J. Mahoney
Bankruptcy Judge

Notice given by the Court to:

*Angelica McClure

Robert Kinsey

Kathleen Laughlin

U.S. Trustee

Movant (*) is responsible for giving notice to other parties if required by rule or statute.