

	<b>Agency Name</b>	Office of Family Support (OFS)			
	<b>Chapter No./Name</b>	09 – Support Enforcement Services (SES)			
	<b>Part No./Name</b>	L. Legal			
	<b>Section No./Name</b>	L-700 Bankruptcy Proceedings			
	<b>Document No./Name</b>	L-720 Automatic Stay			
	<b>Dates</b>	<b>Issue</b>	February 1, 2006	<b>Effective</b>	February 1, 2006

**\* For Bankruptcy Filings on or before October 16, 2005, (New Federal Bankruptcy Laws) \*\*** federal law provides for an automatic stay or suspension of collection and civil enforcement activities at the time a bankruptcy petition is filed. The stay is in effect until the bankruptcy is dismissed, discharged, or until a motion to lift the stay has been granted by the bankruptcy court. Exceptions to the automatic stay in all types of bankruptcy proceedings are any actions or proceedings to do the following:

- Establish paternity,
- Establish support,
- Modify an order of support,
- Collect support from any property that is not property of the estate,
- The relief being sought is purely criminal in nature.

**\* For Bankruptcy Filings on or after October 17, 2005, the following are additional exceptions:**

- The withholding, suspension, or restrictions of a driver's, professional, occupational or recreational license;
- Reporting delinquent child support payments to consumer reporting;
- Federal and state tax intercept for child support; and
- Enforcement of medical support under Title IV-D.

**Current bankruptcy laws allow the enforcement of support orders during the proceedings.**

**For Bankruptcy Filings on or before October 16, 2005, the following applies: \*\***

- In Chapter 7 bankruptcy, post-petition earnings are not affected by the filing of Chapter 7 bankruptcy. Income assignment may continue or be initiated as needed. The automatic stay is in effect until all assets are liquidated, generally a few months.
- In Chapters 11, 12, or 13 bankruptcies, the automatic stay remains in effect for 3 to 5 years. Post-petition earnings are considered property of the estate; therefore, efforts to collect or enforce the support obligation, including income assignment, cease until the bankruptcy is dismissed, the debtor has been discharged, or the automatic stay has been lifted by the court. The bankruptcy debtor develops a repayment plan to pay off the delinquent debts, and should include payment on the support arrearages
- The NCP and/or attorney should be contacted to request a written confirmation to allow SES to continue collecting the ongoing support obligation by income assignment. Otherwise, SES may require the debtor's attorney to amend the budget and/or schedules in the bankruptcy proceedings to include payment of ongoing support in the plan under the trustee's withholding order. As a final option, SES may file a motion to lift the automatic stay in order to take further collection activity against the debtor and the property of the estate.