



A handwritten signature in black ink, appearing to read "Marc Barreca", is written above a horizontal line.

Marc Barreca
U.S. Bankruptcy Judge
(Dated as of Entered on Docket date above)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON**

In re:

AMENDMENT TO LOCAL RULE OF
BANKRUPTCY PROCEDURE 5001-1,
DEPOSIT OF FUNDS IN THE COURT
REGISTRY

GENERAL ORDER 2022-01

The Court finds it necessary to change its procedures regarding the deposit, investment and administration of funds placed in the Court's registry account. The new administrative procedures require amendment to Local Rule of Bankruptcy Procedure 5001-1. The General Order Authorizing Bankruptcy Judges to Make and Amend Local Rules of Practice and Procedure, issued by the United States District Court, Western District of Washington, on November 21, 2005, and Federal Rule of Bankruptcy Procedure 9029(a), authorizes the bankruptcy judges of the district to make and amend rules of practice and procedure governing all bankruptcy cases and proceedings in this District, subject to the limitations set forth therein.

1 Now, therefore, it is hereby **ORDERED** that Local Rule of Bankruptcy Procedure
2 5001-1 is amended to reflect the revised administrative requirements governing funds
3 deposited into the Court's registry account. The amended rule is as set forth in Exhibit
4 A, attached hereto. A redline of the changes to the rule is attached as Exhibit B.

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6 ///End of Order///
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RULE 5001-1. DEPOSIT OF FUNDS IN THE REGISTRY OF THE BANKRUPTCY COURT

(a) Order for Deposit into Court Registry. Except for deposits required by law or court order, a party desiring to deposit funds into the registry of the court must file an application, which shall include a detailed explanation of the facts and circumstances necessitating the deposit of estate funds into the registry.

(b) Form of Proposed Orders Directing Deposit of Funds into the Court Registry. A proposed order directing the clerk of court to deposit funds into the registry of the court must include the following:

- (1) the amount to be deposited;
- (2) a direction to the clerk of court to deposit registry funds of \$25,000 or more into an interest-bearing account; and
- (3) a direction to the clerk of court to deposit funds of less than \$25,000 into a non-interest-bearing account with the U.S. Treasury.

(c) Payments from the Registry. Payments authorized by the Court and payable by negotiable instrument from funds held in an interest-bearing account in the Court registry, must be negotiated within one-year. Negotiable instruments drawn on funds in the Court registry and not tendered within one year will be transferred into noninterest-bearing registry accounts.

Committee Comment

Where funds deposited with the Court are to be placed in some form of interest-bearing account or invested in a court-approved interest-bearing instrument in accordance with Fed. R. Civ. P. 67 or Fed. R. Bankr. P. 7067, the Court is required to deposit said funds into the Court Registry Investment System (CRIS), administered by the Administrative Office of the U.S. Courts. 28 U.S.C. § 2045. Funds held in CRIS are assessed an annualized management fee of 10% of the interest earnings.

RULE 5001-1. DEPOSIT OF FUNDS IN THE REGISTRY OF THE BANKRUPTCY COURT

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(1) the amount to be deposited;

(2) a direction to the clerk of court to deposit registry funds of \$25,000 or more into an interest-bearing account ~~in accordance with 31 C.F.R. Part 202;~~ and

(3) a direction to the clerk of court to deposit funds of less than \$25,000 into a non-interest-bearing account with the U.S. Treasury ~~;~~ and.

~~(1) language directing the clerk of court to deduct from the income earned on the deposit a fee as prescribed by the Judicial Conference of the United States, without further order of the court.~~

(c) **Payments from the Registry.** Payments authorized by the Court and payable by negotiable instrument from funds held in an interest-bearing account in the Court registry, must be negotiated within one-year. Negotiable instruments drawn on funds in the Court registry and not tendered within one year will be transferred into noninterest-bearing registry accounts.

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