

In the United States Bankruptcy Court

for the Northern District of Iowa

DONALD GROENEVELD and
JANET GROENEVELD

Bankruptcy No. L91-01859W

Debtor(s).

Chapter 7

ORDER RE: TRUSTEE'S FINAL REPORT CONTAINING APPLICATION FOR LEGAL FEES

The matter before the court is the trustee's final report in this chapter 7 case. The report was filed November 27, 1992, and was noticed to all creditors and parties-in-interest. No objections were filed. The court, on its motion, held a telephonic hearing on the motion on February 8, 1993, to consider the attorney's fee application filed by Michael Dunbar.

This case was filed on October 10, 1991. Michael C. Dunbar was appointed trustee. He obtained court approval for his own appointment as attorney for the trustee. (Docket No. 10). As part of Dunbar's final report as trustee, he includes his fee application for acting as the trustee's attorney. He requests compensation for 6.8 hours of legal work at the rate of \$95.00 per hour. The court has considered the application and the statements made by Dunbar during the telephonic hearing and determines that of the work done, 2.8 hours should not be compensated as it is the work of the trustee, not his attorney.

The first disallowed entry is for November 6, 1991 of .5 hours for preparing and filing an objection to the debtors' claims of exemption in a homestead and farm machinery. Although the objection relates in part to the legal sufficiency of the debtors' claim of homestead, the routine filing of objections to claims of exemption, even on legal grounds, is the normal work of the trustee. Trustees, even those that might not be lawyers, are specialists; they should not be considered to be unsophisticated lay persons who are incapable of objecting to exemptions in a case without the aid of an attorney. A trustee is responsible for knowing the legal exemptions in the state of Iowa regardless of whether the trustee is a lawyer or non-lawyer. Except in extraordinary situations, trustees should not have to hire attorneys to file objections. The trustee, of course, can retain counsel to try the objection. This is generally also the case with regard to reviewing creditors' objections to exemptions. The trustee can review these as a matter of course and does not have to hire a lawyer to do so. For this reason, the attorney's application for compensation for December 13, 1991, will be disallowed. The court will not compensate the attorney for reviewing on December 16, 1991, the debtors' amendment to their claims of exemption, as a review of the exemption claims is always the trustee's responsibility. On December 7, 1991, the attorney reviewed a letter regarding "transfers." There is insufficient evidence that this was not trustee's work in the first instance. Application for compensation for this entry will be disallowed.

The following entries involved an offer for the sale of property: 12/31/91; 1/3/92; 1/10/92; 1/14/92; and the following entries involved the attorney's examination of objections to his proposed sale: 2/12/92; 2/24/92; 2/25/92. As the objectors merely contended that the amount of the sale price was

too low, the attention to the objections should have been handled in the first instance by the trustee, not his attorney.

Moreover, the attorney should not be compensated for reading the notice setting the objections for hearing. Where the trustee and the trustee's attorney are the same person, and where the trustee must keep himself informed of the filings of the case, the attorney will not be compensated for the mere reading of routine notices, which the trustee must also read as part of his administrative responsibilities. This same reasoning applies to the attorney's request to be compensated for reading, on January 30, 1992, a request for notices filed in the case by a creditor's attorney.

The summary of disallowed time is 2.80 hours. The hours represent work which was the responsibility of the trustee. Accordingly,

IT IS ORDERED that Michael C. Dunbar, as attorney for the trustee, shall be allowed compensation pursuant to 11 U.S.C. § 330 for four hours of work at the rate of \$95.00 per hour for total compensation of \$380.00.

IT IS FURTHER ORDERED that the Trustee's Final Report, Requests, and Report on Claims, filed November 27, 1992, is approved as filed except as modified by this order.

IT IS FURTHER ORDERED that upon the issuance of the U. S. Trustee's Directive for Distribution, the Trustee is authorized to make payments of the approved administrative expenses and to make distribution to creditors in the amounts listed in the Final Account Before Distribution, except as necessarily modified to comply with the orders of this court noted herein and Bankruptcy Rule 3010.

SO ORDERED ON THIS 16th DAY OF FEBRUARY, 1993.

William L. Edmonds
Chief Bankruptcy Judge