

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION AT LAFAYETTE

IN THE MATTER OF:)
)
ROGER NEAL LITTLE) CASE NO. 06-40246
JODI SUE LITTLE)
)
Debtors)

DECISION AND ORDER DENYING CONFIRMATION

At Fort Wayne, Indiana, on October 18, 2006.

This matter is before the court with regard to confirmation of the debtors' proposed Chapter 13 plan, filed on August 16, 2006. Notice of the proceedings concerning confirmation and the opportunity to object to the plan has been given to all creditors. Ford Motor Credit Company filed an objection contending, *inter alia*, that the plan's provision requiring it to release its lien upon the debtors' motor vehicle before the debtors receive a discharge is improper. To that extent, Ford Motor Credit's objection is well-taken. If the debtor wishes to retain the collateral, absent the creditor's consent, the plan must allow the creditor to retain the lien securing its claim until payment of the underlying debtor or discharge, whichever is earlier. 11 U.S.C. § 1325(a)(5)(B)(i)(I). See also, In re White, ___ B.R. ___, 2006 WL 2827321 (Bankr. E.D. La. 2006).

Accordingly, to the extent it is based upon the timing of the release of its lien, Ford Motor Credit Company's objection to confirmation of the debtors' currently proposed chapter 13 plan is sustained and confirmation of that plan is DENIED. Any further plan shall be filed within fourteen (14) days of this date, for hearing and objection on notice to all creditors.

SO ORDERED.

/s/ Robert E. Grant
Judge, United States Bankruptcy Court