

The document below is hereby signed.

Signed: October 1, 2017



A handwritten signature in black ink, reading "S. Martin Teel, Jr.", is written over a horizontal line.

S. Martin Teel, Jr.
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLUMBIA

In re)	
)	
EDWARD BROWN,)	Case No. 17-00289
)	(Chapter 13)
Debtor.)	

MEMORANDUM DECISION AND ORDER
RE MOTION TO MODIFY INTEREST RATE

The debtor has filed a *Motion to Modify Interest Rate of Secured Debt Held by Santander Consumer USA, Inc.* (Dkt. No. 41). Under a plan, a debtor may provide as to an allowed secured claim that "the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim is not less than the allowed amount of such claim." 11 U.S.C. § 1325(a)(5)(B)(I)(ii). Such present value is achieved via a proposed interest rate to be paid on the allowed secured claim after the effective date of the plan. However, the Bankruptcy Code (11 U.S.C.) does not give the debtor the right to alter the interest rate to which a creditor is entitled as part of the calculation of its allowed secured claim under 11 U.S.C. § 506(b) as of the effective date of the plan.

The debtor's motion seeks to reduce the creditor's interest rate to 6.25%, but the motion (versus the debtor's proposed plan) is not the appropriate vehicle for addressing post-effective-date § 1325(a)(5)(B)(I)(ii) interest to be paid on an allowed secured claim, and is redundant of the plan in that regard. Moreover, the motion is not limited to a § 1325(a)(5)(B)(I)(ii) interest but appears to seek to alter the interest rate under the promissory note held by the creditor immediately, which is not a right conferred on the debtor by the Bankruptcy Code. It is thus

ORDERED that the *Motion to Modify Interest Rate of Secured Debt Held by Santander Consumer USA, Inc.* (Dkt. No. 41) is dismissed without prejudice.

[Signed and dated above.]

Copies to: All entities on the BNC mailing list.