

Bond Case Briefs

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BANKRUPTCY - ALABAMA

Bennett v. Jefferson County, Ala.

United States District Court, N.D. Alabama, Southern Division - September 30, 2014 - B.R. - 2014 WL 4926261

County sewer ratepayers appealed Bankruptcy Court's confirmation of county's Chapter 9 plan, asserting the plan unconstitutionally gave the Bankruptcy Court the power to approve rate hikes and violated their constitutional right to avoid "overly burdensome debt" without due process. County moved for partial dismissal. Ratepayers moved to consolidate.

The District Court held that:

- Appeal was not constitutionally moot;
- Appellate review of ratepayers' challenge to confirmation order was not barred by statutory mootness rule;
- Equitable mootness doctrine did not apply to Chapter 9 proceeding;
- Even if District Court considered equitable mootness as appropriate in Chapter 9 proceeding, the Court would not dismiss ratepayers' appeal as equitably moot; and
- Consolidating ratepayers' appeals of confirmation order and other orders in related adversary proceedings was not appropriate.