



Law Journal Newsletters: Civil Contempt for Discharge Injunction Violations: A New Standard That Brings the ‘Old Soil’ with It

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Associate Dana Robbins co-authored an article published in the *Law Journal Newsletters*. An excerpt of the article is included below. The Bankruptcy Court has the inherent power to impose civil contempt as a sanction for a violation of the discharge injunction, 11 U.S.C. §105. Even though these inherent powers derive from civil contempt, courts have fashioned their own standards for violators of the discharge injunction. The majority of circuits applied an objective standard akin to strict liability to discharge injunction violations. But the Ninth Circuit concluded that a “creditor’s good faith belief” that the discharge order “does not apply to the creditor’s claim precludes a finding of contempt, even if the creditor’s belief is unreasonable.” This circuit split resulted in the Supreme Court’s recent opinion in *Taggart v. Lorenzen*, 139 S. Ct. 1795, 1799 (2019), which rejected both bankruptcy court approaches. Instead, the Supreme Court decided that “[a] court may hold a creditor in civil contempt for violating a discharge order if there is no fair ground of doubt as to whether the order barred the creditor’s conduct.” *Id.* at 1799. Although this standard appears to be new, it is more than a century old and “brings the old soil” from civil contempt with it. To read the full article, [click here](#).

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