

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
ALABAMA, SOUTHERN DIVISION

Nikitris Hardy v. Joseph E. Bulgarella, Trustee

Hardy · No. 2:26-cv-178-HDM · Decided June 22, 2026

SUMMARY

The United States District Court for the Northern District of Alabama denied Nikitris Hardy’s renewed petition for mandatory withdrawal of the automatic reference of her bankruptcy case. The court held that Hardy failed to show that resolving her bankruptcy case required substantial and material consideration of non-bankruptcy federal law under 28 U.S.C. § 157(d). The court also denied her motion for an extension of time as moot and directed the clerk to close the case.

CASE DETAILS

COURT	United States District Court for the Northern District of Alabama, Southern Division
JURISDICTION	United States District Court for the Northern District of Alabama, Southern Division
DECIDED	June 22, 2026
DOCKET	2:26-cv-178-HDM
DISPOSITION	denied
PROCEDURAL POSTURE	Plaintiff, proceeding pro se after withdrawing counsel, filed a renewed petition for mandatory withdrawal of the automatic reference from the bankruptcy court under 28 U.S.C. § 157(d). The district court denied the petition and denied as moot her motion for an extension of time.
STANDARD OF REVIEW	The court applied the mandatory-withdrawal standard under 28 U.S.C. § 157(d), requiring substantial and material consideration of non-Title 11 federal law rather than mere application of well-settled law.
PRECEDENTIAL VALUE	unpublished district court memorandum opinion
PARTIES	Nikitris Hardy v. Joseph E. Bulgarella, Trustee

TOPICS

- bankruptcy
- chapter 7
- chapter 13
- civil procedure
- due process

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether mandatory withdrawal of the bankruptcy reference was required because resolution of Hardy's bankruptcy case allegedly required consideration of constitutional and other federal law outside Title 11.
2. Whether Hardy's conclusory assertions regarding due process, Article III adjudication, objections to proofs of claim, counterclaims, and statutory rights established that the case required substantial and material consideration of non-Bankruptcy Code federal law.

HOLDINGS

1. Mandatory withdrawal is required only when resolution of the proceeding requires substantial and material consideration of federal law outside the Bankruptcy Code; mere application of well-settled or hornbook nonbankruptcy law is insufficient.
2. Hardy failed to establish that resolution of her bankruptcy case required substantial and material consideration of non-Title 11 law, so mandatory withdrawal was denied.

KEY QUOTATIONS

“withdrawal should be granted only if the current proceeding could not be resolved without substantial and material consideration of the non-[Bankruptcy] Code federal law.” (Discussion)

“Thus, it is not enough for a plaintiff to argue—as Hardy does—that her case implicates non-bankruptcy law in some tangential way that merely calls upon the bankruptcy judge to apply well-settled law; withdrawal of the reference is required only when the case calls upon the bankruptcy court to resolve substantial questions arising under some law other than Title 11.” (Discussion)

FACTUAL BACKGROUND

Hardy voluntarily filed for Chapter 13 bankruptcy with the assistance of counsel on September 8, 2025. Her case was referred to the bankruptcy court and later converted to Chapter 7. After counsel withdrew, Hardy sought mandatory withdrawal of the reference, asserting that the case involved Fifth Amendment and Article III issues concerning objections to proofs of claim, due process, counterclaims, and statutory rights.

PROCEDURAL HISTORY

Hardy voluntarily filed a Chapter 13 bankruptcy case in the Bankruptcy Court for the Northern District of Alabama on September 8, 2025, and later converted the case to Chapter 7. After counsel withdrew, Hardy filed this district-court action seeking mandatory withdrawal of the bankruptcy reference, asserting that her case implicated constitutional and other non-Bankruptcy Code issues. The district court concluded that she had not shown that resolution of her bankruptcy case required substantial and material consideration of non-Title 11 federal law, denied the petition, denied the extension motion as moot, and directed the Clerk to close the case.

DISPOSITION

denied

CASES CITED

- Dean v. Barber, 951 F.2d 1210, 1213 (11th Cir. 1992)
- Wood v. Ghuste, 216 B.R. 1010, 1013 (Bankr. M.D. Fla. 1998)
- Love v. MidFirst Bank, No. 5:18-mc-938, 2018 WL 4006883, at *2 (N.D. Ala. Aug. 22, 2018)
- Thompson v. LVNV Funding, LLC, 534 B.R. 816, 818 (N.D. Ala. June 18, 2015)
- Stower v. Cornide, No. 23-cv-20143, 2023 WL 1100454, at *2 (S.D. Fla. Jan. 30, 2023)
- Williams v. LVNV Funding LLC, No. 7:14-mc-2055, 2014 WL 7409544, at *1 (N.D. Ala. Dec. 31, 2014)
- Cole v. MidFirst Bank, No. 5:18-mc-1402, 2018 WL 6504433, at *3 (N.D. Ala. Dec. 11, 2018)

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