

UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF NEW
JERSEY

In re Kenneth Brewster

Brewster · No. 25-21410 (MBK) · Decided June 15, 2026

SUMMARY

The United States Bankruptcy Court for the District of New Jersey grants in part Kenneth Brewster’s motion for damages under 11 U.S.C. § 362(k) based on post-petition wage garnishments. The court finds that Sharon Brewster willfully violated the automatic stay after receiving notice of the bankruptcy and continued garnishment, awarding actual damages subject to supplementation for additional garnishments, attorneys’ fees, and costs. The court denies punitive damages.

CASE DETAILS

COURT	United States Bankruptcy Court for the District of New Jersey
WRITING FOR THE COURT	Michael B. Kaplan
JURISDICTION	United States Bankruptcy Court for the District of New Jersey
DECIDED	June 15, 2026
DOCKET	25-21410 (MBK)
DISPOSITION	other
PROCEDURAL POSTURE	The Chapter 13 debtor moved under 11 U.S.C. § 362(k) for damages, attorneys’ fees, costs, and punitive damages based on postpetition wage garnishments. The bankruptcy court granted the motion in part, finding a willful automatic-stay violation and awarding established actual damages subject to supplementation, while denying punitive damages.
PRECEDENTIAL VALUE	Unknown
PARTIES	Kenneth Brewster v. Sharon Brewster

TOPICS

- automatic stay
- chapter 13
- damages
- bankruptcy
- equitable distribution

PRACTICE AREAS

- Bankruptcy
- Bankruptcy litigation
- Family law and matrimonial debt

QUESTIONS PRESENTED

1. Whether continued postpetition garnishment of the debtor's wages violated the automatic stay.
2. Whether the creditor's failure to take effective action to stop the garnishment after receiving notice of the bankruptcy and alleged stay violation constituted a willful violation under 11 U.S.C. § 362(k).
3. Whether the debtor established actual damages, attorneys' fees, and costs resulting from the stay violation.
4. Whether punitive damages were warranted under 11 U.S.C. § 362(k)(1).

HOLDINGS

1. Continued garnishment of the debtor's postpetition wages violated the automatic stay because the wages were property of the Chapter 13 estate and the garnishment was an act to collect a prepetition obligation.
2. The creditor willfully violated the automatic stay by failing to take effective action to stop the garnishment after receiving notice of the bankruptcy and notice that the garnishment was continuing.
3. The debtor established actual damages of at least \$1,100 for the identified postpetition garnishments and was entitled to recover additional properly supported garnished amounts, reasonable attorneys' fees, and costs.
4. Punitive damages were not warranted on the record because mitigating circumstances made compensatory relief and reasonable attorneys' fees and costs sufficient and proportionate.

KEY QUOTATIONS

"Once Ms. Brewster had notice of the bankruptcy case and notice that the wage garnishment was continuing, she was required to take effective action to halt the collection activity or seek relief from this Court." (III.C)

"The Court finds that Ms. Brewster willfully violated the automatic stay by failing to take effective action to stop the post-petition wage garnishment after notice of the Debtor's bankruptcy case and the asserted stay violation." (IV)

FACTUAL BACKGROUND

Kenneth Brewster and Sharon Brewster are former spouses who entered into a 2018 Marital Settlement Agreement allocating payments on a Small Business Administration obligation. A New Jersey state-court order later permitted garnishment of the debtor's share of the obligation and treated it as spousal support for garnishment purposes. After the debtor filed Chapter 13, wage garnishments continued despite notice of the bankruptcy and the alleged stay violation, resulting in at least \$1,100 withheld from eleven postpetition paychecks. Sharon Brewster stated that she contacted the Probation Division, believed it was responsible for the garnishment, and remitted the funds to the SBA rather than retaining them.

PROCEDURAL HISTORY

Kenneth Brewster filed a voluntary Chapter 13 petition on October 27, 2025. Sharon Brewster, a listed creditor, filed a proof of claim asserting domestic-support-obligation priority, and the debtor objected. After reconsideration, the bankruptcy court ruled that the obligation was an allocation of marital debt rather than a

domestic support obligation and expunged the claim. The debtor then sought relief under § 362(k), alleging that wage garnishments continued after the bankruptcy filing and after notice of the stay violation.

DISPOSITION

other

REMAND INSTRUCTIONS

The creditor must immediately take all steps necessary to terminate any continuing wage garnishment and return all postpetition wages garnished, either to the debtor or to the Chapter 13 trustee as directed. The debtor must file within fourteen days a supplemental certification identifying all garnishments, dates and amounts, and attorneys' fees and costs. The creditor may object within fourteen days thereafter solely to the amounts requested. Punitive damages were denied.

CASES CITED

- In re Rodriguez, 2012 WL 589553, at *3 (Bankr. D.N.J. Feb. 22, 2012)
- In re Gardner, 2016 WL 1576700, at *5 (Bankr. D.N.J. Mar. 31, 2016)
- In re McGowan, 2014 WL 793125, at *2 (Bankr. D.N.J. Feb. 26, 2014)
- Thomas v. City of Philadelphia, 2013 Bankr. LEXIS 3323 (Bankr. E.D. Pa. 2013)
- In re McGowan, 2014 WL 793125, at *3 (Bankr. D.N.J. Feb. 26, 2014)

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