



IT IS ORDERED as set forth below:

Date: August 20, 2024

**Paul W. Bonapfel
U.S. Bankruptcy Court Judge**

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

IN RE:

CLAUDETTE O. HENRY,

Debtor.

CASE NO. 24-54394-PWB

CHAPTER 7

**ORDER OVERRULING DEBTOR’S OBJECTION TO TRUSTEE’S REPORT OF
NO DISTRIBUTION**

The Debtor objects to the Chapter 7 Trustee’s Report of No Distribution on the ground that the Trustee has failed to consider her birth certificate as an asset and that its administration could be “utilized to set off any outstanding debts or obligations of

the estate.” [Doc. 42].¹ Because a birth certificate has no financial value and is not an asset of the bankruptcy estate, the Court concludes that the Debtor’s objection is meritless and it is overruled.

Section 704(a)(1) of the Bankruptcy Code provides that a chapter 7 trustee shall “collect and reduce to money the property of the estate for which such trustee serves.”

“Property of the estate” includes “all legal and equitable interests of the debtor in property as of the commencement of the case.” 11 U.S.C. § 541(a)(1). The term “property” is not defined by the Bankruptcy Code, but § 704(a)(1) instructs, for purposes of administering the estate, that it must be something that the trustee can “collect and reduce to money.”

A birth certificate is a vital record that shows, among other things, a person’s name, date of birth, and location of birth. A birth certificate is necessary in order to prove citizenship and it is both necessary and useful in order to accomplish practical things, such as obtaining a passport, a driver’s license, or proving one’s identity.

But a birth certificate cannot be collected and reduced to money.

¹ On August 6, 2024, the Chapter 7 Trustee, Kathleen Steil, filed her report of no distribution certifying that the bankruptcy estate was fully administered pursuant to Rule 5009 of the Federal Rules of Bankruptcy Procedure. A chapter 7 trustee’s Report of No Distribution is electronically filed by the trustee. Because it is not a document, it does not receive a docket entry. The Chapter 7 Trustee filed her Report of No Distribution on August 6, 2024. Her Report states, “I have neither received any property nor paid any money on account of this estate; that I have made a diligent inquiry into the financial affairs of the debtor(s) and the location of the property belonging to the estate; and that there is no property available for distribution from the estate over and above that exempted by law.”

The notion that a birth certificate is negotiable for payment of creditors is absurd. Federal courts have uniformly rejected the argument that a birth certificate is a bond or instrument that may be redeemed or sold.² No basis in law or fact exists to support such a theory and the Debtor has offered none.

The internet is full of scams, frauds, and unfounded theories on every subject under the sun. The proposition that a United States birth certificate is a negotiable instrument that can be sold is such a scam and has been identified as one by the United State Department of the Treasury.³ Because the Debtor's objection is meritless, it is

² *E.g., Mills v. U.S.*, 2024 WL 3179196 *4 n.3 (It's fairly apparent to the Court that the plaintiff is attempting to access his so-called 'birth account.' . . . But that's nothing more than a well-known conspiracy theory. There's no such thing as a 'birth account,' and anyone who says otherwise is lying or mistaken.") (D. Neb. 2024); *In re Edwards*, 2023 WL 3804199 (Bankr. D.N.M. 2023); *In re Jones*, 2022 WL 1010559 (Bankr. S.D. Ohio 2022); *In re Harrison*, 390 B.R. 590, 594 (Bankr. N.D. Ohio 2008); *Rasheed v. Comerica Bank*, 2005 WL 3592009 (E.D. Mich. 2005); *In re Cadillac by DeLorean*, 262 B.R. 711 (Bankr. N.D. Ohio 2001); *see also U.S. v. Waalee*, 133 Fed.Appx. 819, 822 n. 2 (3d Cir. 2005) (in *dicta*, "Redemption theory ... appears to hold that a birth certificate is a negotiable instrument which the holder may redeem for value from the federal government. [Defendant] testified at trial that he understands redemption theory to rest on the premise that in 1933, Congress took the United States into bankruptcy, suspended the gold standard and adopted a paper standard, all in violation of the U.S. Constitution, which in turn means that all money became unlawful or 'fiat' money; birth certificates then providing the backing for this fiat money."); *U.S. Getzschman*, 81 Fed.Appx. 619, 620 (8th Cir. 2003) ("By filing UCC-1 financing statements and their birth certificates in a state that accepts such filings, followers of this theory believe they can 'redeem' their birth certificates. Redemption theorists view the redeemed birth certificate as an asset on which they place a value of up to \$2 million and assert the U.S. Treasury Department acts as a clearinghouse for the funds. Under this theory, they then create money orders and sight drafts drawn on their Treasury Direct Accounts to pay for goods and services.").

³The United States Department of the Treasury has flagged the "birth certificate bond" theory as a scam. <https://www.treasurydirect.gov/laws-and-regulations/fraud/birth-certificate-bonds/> (last visited Aug. 19, 2024). ("Several internet blogs and videos make false claims that a United States birth certificate is a negotiable instrument (a document that promises payment) that can be used to: Make purchases that will be charged to a 'Exemption Account' (perhaps

ORDERED that the Debtor's objection to the Chapter 7 Trustee's Report of No Distribution is overruled. It is

FURTHER ORDERED that the Debtor's request for a hearing is denied.

END OF ORDER

identified by your social security number or EIN), or Request savings bonds held by the government in your name and owed to you. The truth is, birth certificates cannot be used for purchases, nor can they be used to request savings bonds purportedly held by the government. . . . These blogs and videos promise that your birth certificate bond will be able to wipe out all your debt or help you collect monies/securities. Some internet sites even offer to sell videos, webinars, and coaching on how to do this. No one has profited from the Treasury Department by using these tactics. But, the scammers intend to profit from this story by selling their bogus wares.”).

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