

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO

In re:

SCOTT FRANKLIN BURPEE,
Debtor.

UNITED STATES OF AMERICA,

Plaintiff,

v.

SCOTT FRANKLIN BURPEE,
Defendant.

Case No. 1:21-mc-00394-BLW

**MEMORANDUM DECISION AND
ORDER**

INTRODUCTION

Before the Court is the United States' unopposed Motion for Withdrawal of the Reference. Dkt 1. For the reasons explained below, the Court will deny this motion without prejudice.

DISCUSSION

In 2018, Scott Burpee obtained a multi-million loan from the SBA for various entities he owned. The United States says he obtained that loan through false, fraudulent, and deceptive conduct and omissions. Mr. Burpee filed a bankruptcy petition in June 2020, and thereafter the United States filed (1) an adversary proceeding in bankruptcy court and (2) a separate action in district court.

The United States says the adversary proceeding and the district court action “are based on the same facts and the legal theories center around false and fraudulent misrepresentations and conduct.” *See* Dkt. 1, at 2. The United States thus argues that both cases should be handled by one court.

As matters currently stand, three judges are involved. The adversary proceeding is pending in the bankruptcy court before Judge Pappas; the district court action is pending before Judge Dale; and the motion to withdraw the reference is pending before the undersigned judge. As of this date, it is unclear if the district court action will remain with Judge Dale or be reassigned. Additionally, the parties recently asked Judge Dale to extend deadlines for the parties to file a joint litigation and discovery plan because they “are actively discussing a possible resolution to this matter.” *See Stip.*, Dkt. 5 in Case No. 1:21-cv-00015-CWD.

Under these circumstances, this Court does not believe deciding the motion to withdraw at this time would be an efficient or a wise use of judicial resources. The Court will instead deny the motion without prejudice. The United States may refile the motion if and when settlement negotiations break down.

ORDER

IT IS ORDERED that the United States' Motion to Withdraw the Reference (Dkt. 1) is **DENIED WITHOUT PREJUDICE**.



DATED: April 19, 2021

B. Lynn Winmill

B. Lynn Winmill
U.S. District Court Judge