

Detroit bankruptcy judge tosses activists recusal bid

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The screenshot shows a news article from Flint-Genesee County Legal News. The article is titled "Between a rock and hard place" and is dated October 19, 2012. It features a photograph of six people, identified in the caption as panelists for a discussion. The caption reads: "Panelists for 'Between a Rock and a Hard Place: Municipal Entities in Distress' were, left to right, Frederick Headen, director of the Bureau of Local Government Services in the Michigan Department of the Treasury; Edward Plawecki of Pierce, Monroe & Associates; and Judge Steven Rhodes; Douglas Bernstein of Plunkett Cooney; Judy O'Neill of Foley & Lardner; and Charles Moore of Conway MacKenzie." The article also includes social media sharing options for Twitter and Facebook.

U.S. Bankruptcy Judge Steven Rhodes, front center, who is overseeing Detroit's bankruptcy case, moderated a Oct. 10, 2012 Federal Bar Association panel discussion in Southfield entitled, "Between a Rock and a Hard Place: Municipal Entities in Distress." Detroit financial consultant Charles Moore, far right, participated in the discussion.

U.S. Bankruptcy Judge Steven Rhodes on Thursday rejected a local activist and freelance writer's request for a court hearing on his partiality in Detroit's bankruptcy case.

Detroit resident Diane Bukowski, a [retired city worker](#) and editor of the [Voice of Detroit blog](#), wanted the judge to recuse himself from the nearly four-month-old bankruptcy

case for not disclosing that he participated in a panel discussion on distressed municipalities last year with one of the city's witnesses in the ongoing eligibility trial.



Diane Bukowski

Rhodes moderated an Oct. 10, 2012 Federal Bar Association panel discussion in Southfield that featured Charles Moore, a city financial consultant with the restructuring firm Conway MacKenzie. Moore testified Oct. 23-24 about the need for

Rhodes to be granted Detroit bankruptcy relief from its creditors.

The panel also featured Judy O'Neill, an attorney of Foley & Lardner who helped author Michigan's former emergency manager law, Public Act 4, and Frederick Headen, an official in the state Treasury Department who was part of the state's financial review team of city finances last winter.

[Bukowski's complaint](#) claimed Rhodes neglected "to disclose his participation in this forum nearly a year before the instant bankruptcy trial, and to disclose his comments at the forum and his connections with the forum participants constitutes an 'appearance of impropriety' and raises questions about his impartiality."

As evidence of the veteran bankruptcy judge's alleged impartiality, Bukowski attached to her motion a copy of an [article published by the Flint-Genesee County Legal News](#) featuring opinion quotes from all of the participants, except Rhodes.

Rhodes issued a [six-page ruling](#) Thursday denying Bukowski's motion for him to disqualify himself from case, citing case law related to judicial ethics and partiality.

The judge also took the unusual step to speak in his own voice [in an official court ruling](#).

"In this case, a reasonable person with knowledge of all of the facts would know that I was only the moderator of the program and made no presentation at all," Rhodes wrote. "Instead, my role was limited to introducing the speakers and asking occasional questions to keep the presentations moving, focused and concise. Certainly, I heard the speakers' presentations and found them informative, but this proves nothing more than my interest in the law and in my community."