**Dated: April 22, 2020** 

The following is ORDERED:



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TOM R. CORNISH UNITED STATES BANKRUPTCY JUDGE

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF OKLAHOMA

In Re:

**GENERAL ORDER NO. 20-16** 

ADOPTION OF REVISED INTERIM BANKRUPTCY RULE 1020

## **GENERAL ORDER**

On January 8, 2020, by General Order 20-08, this Court adopted interim bankruptcy rules ("Interim Rules") approved by the Committee on Rules of Practice and Procedure to facilitate uniform implementation of the changes mandated by the Small Business Reorganization Act of 2019 (the "SBRA").

On March 27, 2020, Congress passed, and the President signed into law, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). Section 1113 of the CARES Act made several changes to the Bankruptcy Code to provide financial assistance during the COVID-19 pandemic. One of those changes modifies the definition of "debtor" for determining eligibility to proceed under subchapter V of chapter 11, in § 1182(1), raising the debt limitation to \$7,500,000.00. This change has necessitated an amendment to Interim Rule 1020 that has also been approved by the Committee on Rules of Practice and Procedure.

**THEREFORE**, pursuant to 28 U.S.C. § 2071, Rule 83 of the Federal Rules of Civil Procedure, and Rule 9029 of the Federal Rules of Bankruptcy Procedure, the attached amendment to Interim Rule 1020 is hereby adopted by this Court, Effective March 27, 2020. This amendment to Interim Rule 1020 shall remain in effect until March 26, 2021.

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## Attachment

- 1 Rule 1020. Chapter 11 Reorganization Case for Small
- 2 Business Debtors or Debtors Under Subchapter V
- 3 (a) SMALL BUSINESS DEBTOR
- 4 DESIGNATION. In a voluntary chapter 11 case, the debtor
- 5 shall state in the petition whether the debtor is a small
- 6 business debtor or a debtor as defined in § 1182(1) of the
- 7 Code and, if the latter so, whether the debtor elects to have
- 8 subchapter V of chapter 11 apply. In an involuntary chapter
- 9 11 case, the debtor shall file within 14 days after entry of the
- 10 order for relief a statement as to whether the debtor is a small
- 11 business debtor or a debtor as defined in § 1182(1) of the
- 12 Code and, if the latter so, whether the debtor elects to have
- 13 subchapter V of chapter 11 apply. The status of the case as
- 14 a small business case or a case under subchapter V of chapter
- 15 11 shall be in accordance with the debtor's statement under
- 16 this subdivision, unless and until the court enters an order
- 17 finding that the debtor's statement is incorrect.
- 18 (b) OBJECTING TO DESIGNATION. The United

- 19 States trustee or a party in interest may file an objection to
- 20 the debtor's statement under subdivision (a) no later than 30
- 21 days after the conclusion of the meeting of creditors held
- 22 under § 341(a) of the Code, or within 30 days after any
- 23 amendment to the statement, whichever is later.
- 24 (c) PROCEDURE FOR OBJECTION OR
- 25 DETERMINATION. Any objection or request for a
- 26 determination under this rule shall be governed by Rule 9014
- 27 and served on: the debtor; the debtor's attorney; the United
- 28 States trustee; the trustee; the creditors included on the list
- 29 filed under Rule 1007(d) or, if a committee has been
- 30 appointed under § 1102(a)(3), the committee or its
- 31 authorized agent; and any other entity as the court directs.

## **Committee Note**

The interim rule is amended in response to the enactment of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), Pub. L. No. 116-136, 134 Stat. 281. That law provides a new definition of "debtor" for determining eligibility to proceed under subchapter V of chapter 11. Subdivision (a) of the rule is amended to reflect that change. This amendment to the Code will terminate one year after the date of enactment of the CARES Act.