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M. Regina Thomas, Clerk PEPUTACIAA

### UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF GEORGIA

IN RE:

## APLICABILTY OF INTERIM BANKRUPTCY RULES IN CASES UNDER SUBCHAPTER V OF CHAPTER 11

#### **GENERAL ORDER 36-2020**

#### ORDER AMENDING GENERAL ORDER 30-2020

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On February 5, 2020, the Court entered General Order 30-2020 which, among other things, provided that certain Interim Rules, as attached thereto, would apply to all cases and proceedings governed by Subchapter V of Chapter 11 of the United States Bankruptcy Code. One such Interim Rule was Rule 1020.

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. The CARES Act requires amendment to Interim Rule 1020. The changes need to be in place long before the Bankruptcy Rules can be amended under the three-year process required by the Rules Enabling Act. The Judicial Conference has authorized distribution of these changes to Interim Rule 1020 to courts for adoption locally to facilitate uniform implementation of the changes mandated by the CARES Act. It is therefore **ORDERED** that the amendment to Interim Rule 1020 shall apply effective as of the date hereof to all cases governed by Subchapter V of Chapter 11 of the Bankruptcy Code. A copy of the redline changes to Interim Rule 1020 is attached hereto. Please note that the CARES Act provision necessitating this change will terminate one year after the date of the enactment of the CARES Act, unless further extended.

ORDERED further this Order will remain in effect until further order of the court.

This <u>23rd</u>day of April 2020.

Wendy L. HAGENAU, CHIEF JUDGE

WENDY L. HAGENAU, CHIEF JUDGE United States Bankruptcy Court For the Court

# Attachment

1	Rule 1020. Chapter 11 Reorganization Case for Small
2	Business Debtors <u>or Debtors Under Subchapter V</u>
3	(a) <u>SMALL BUSINESS</u> 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	<u>Code</u> and, if <u>the latter</u> 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	<u>Code</u> and, if <u>the latter</u> 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.