

FILED

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA**

APR 23 2020

**STEPHANIE J. BUTLER, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF NC**

IN RE:

**TEMPORARY REVISION OF
INTERIM BANKRUPTCY RULE 1020**

GENERAL ORDER

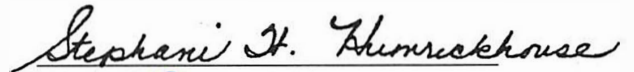
On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“the CARES Act”) was enacted into law. Under the CARES Act, 11 U.S.C. § 1182(1) was amended to include a separate definition of “debtor” for subchapter V purposes by amending the debt limitation from \$2,725,625 to \$7,500,000. The CARES Act further amended 11 U.S.C. § 103(I) to provide that subchapter V of chapter 11 applies to a “debtor (as defined in section 1182(1))” who elects such treatment, rather than a “small business debtor” who so elects. This revision will remain in effect for one year.

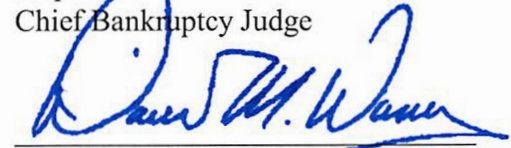
This court previously adopted Interim Local Rules by General Order entered on January 15, 2020, to comply with the revisions to the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure resulting from the enactment of the Small Business Reorganization Act of 2019. Interim Local Rule 1020 now requires amendment to comply with the revisions made by the CARES Act as set forth above.

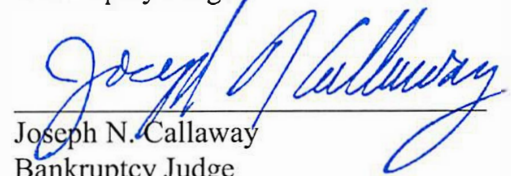
NOW THEREFORE, the attached revised Interim Rule 1020, designated as Attachment A, is adopted in cases governed by the Small Business Reorganization Act. A red-lined copy of the revised Interim Rule 1020 is attached and designated as Attachment B.

Pursuant to the CARES Act, the revised Interim Rule 1020 shall remain in effect until March 27, 2021.

IT IS SO ORDERED.


Stephani W. Humrickhouse
Chief Bankruptcy Judge


David M. Warren
Bankruptcy Judge


Joseph N. Callaway
Bankruptcy Judge

Attachment A

Rule 1020. Chapter 11 Reorganization Case for Small Business Debtors or Debtors Under Subchapter V

(a) DEBTOR DESIGNATION. In a voluntary chapter 11 case, the debtor shall state in the petition whether the debtor is a small business debtor or a debtor as defined in § 1182(1) of the Code and, if the latter, whether the debtor elects to have subchapter V of chapter 11 apply. In an involuntary chapter 11 case, the debtor shall file within 14 days after entry of the order for relief a statement as to whether the debtor is a small business debtor or a debtor as defined in § 1182(1) of the Code and, if the latter, whether the debtor elects to have subchapter V of chapter 11 apply. The status of the case as a small business case or a case under subchapter V of chapter 11 shall be in accordance with the debtor's statement under this subdivision, unless and until the court enters an order finding that the debtor's statement is incorrect.

(b) OBJECTING TO DESIGNATION. The United States trustee or a party in interest may file an objection to the debtor's statement under subdivision (a) no later than 30 days after the conclusion of the meeting of creditors held under § 341(a) of the Code, or within 30 days after any amendment to the statement, whichever is later.

(c) PROCEDURE FOR OBJECTION OR DETERMINATION.

Any objection or request for a determination under this rule shall be governed by Rule 9014 and served on: the debtor; the debtor's attorney; the United States trustee; the trustee; the creditors included on the list filed under Rule 1007(d) or, if a committee has been appointed under § 1102(a)(3), the committee or its authorized agent; and any other entity as the court directs.

Attachment B

Rule 1020. Chapter 11 Reorganization Case for Small Business

Debtors or Debtors Under Subchapter V

(a) ~~SMALL BUSINESS~~ DEBTOR DESIGNATION. In a voluntary chapter 11 case, the debtor shall state in the petition whether the debtor is a small business debtor or a debtor as defined in § 1182(1) of the Code and, if the latter so, whether the debtor elects to have subchapter V of chapter 11 apply. In an involuntary chapter 11 case, the debtor shall file within 14 days after entry of the order for relief a statement as to whether the debtor is a small business debtor or a debtor as defined in § 1182(1) of the Code and, if the latter so, whether the debtor elects to have subchapter V of chapter 11 apply. The status of the case as a small business case or a case under subchapter V of chapter 11 shall be in accordance with the debtor's statement under this subdivision, unless and until the court enters an order finding that the debtor's statement is incorrect.

(b) OBJECTING TO DESIGNATION. The United States trustee or a party in interest may file an objection to the debtor's statement under subdivision (a) no later than 30 days after the conclusion of the meeting of creditors held under § 341(a) of the Code, or within 30 days after any amendment to the statement, whichever is later.

(c) PROCEDURE FOR OBJECTION OR DETERMINATION.

Any objection or request for a determination under this rule shall be governed by Rule 9014 and served on: the debtor; the debtor's attorney; the United States trustee; the trustee; the creditors included on the list filed under Rule 1007(d) or, if a committee has been appointed under § 1102(a)(3), the committee or its authorized agent; and any other entity as the court directs.