

**FILED**

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

JUL 19 2022

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

**IN RE:**

**TEMPORARY REVISION OF  
INTERIM BANKRUPTCY RULE 1020**

**GENERAL ORDER**

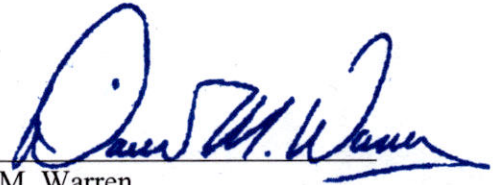
On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“the CARES Act”) was enacted into law. Under the CARES Act, 11 U.S.C. § 1182(1) was amended to include a separate definition of “debtor” for subchapter V purposes by amending the debt limitation from \$2,725,625 to \$7,500,000. This provision of the CARES Act expired on March 27, 2022. On June 21, 2022, the Bankruptcy Threshold Adjustment and Technical Corrections Act (“the BTATCA”) was enacted into law. Under the BTATCA, the increase to the debt limitation from \$2,725,625 to \$7,500,000 was extended and applied retroactively to cases commenced on or after March 27, 2022. This revision will remain in effect for two years from the enactment of the BTATCA.

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 and an Interim Local Rule 1020 to comply with the revisions made by the CARES Act as set forth above. The court now adopts an additional amendment to Interim Local Rule 1020 to comply with the revisions made by the BTATCA as set forth above.

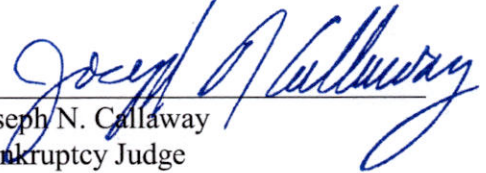
NOW THEREFORE, the attached revised Interim Rule 1020, designated as Attachment A, is adopted in cases governed by the Small Business Reorganization Act. A red-lined copy of the revised Interim Rule 1020 is attached and designated as Attachment B.

Pursuant to the BTATCA, the revised Interim Rule 1020 shall remain in effect until June 21, 2024.

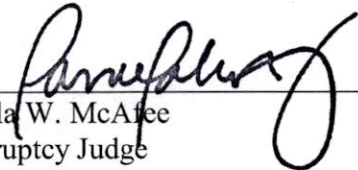
IT IS SO ORDERED.



David M. Warren  
Chief Bankruptcy Judge



Joseph N. Callaway  
Bankruptcy Judge



Pamela W. McAfee  
Bankruptcy Judge

Attachment A

**Interim 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

**Interim Rule 1020. Chapter 11 Reorganization Case for Small 1  
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.

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**Committee Note**

The Interim Rule is amended in response to the enactment of the Bankruptcy Threshold Adjustment and Technical Correction Act (the "BTATC Act"), Pub. L. No. 117-151, \_\_\_ Stat. \_\_\_\_\_. The BTATC reinstates the definition of "debtor" for determining eligibility to proceed under subchapter V of chapter 11 that was in effect from March 27, 2020 through March 27, 2022, under the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, 134 Stat. 281, as amended. Subdivision (a) of the rule is amended to reflect that change. This Interim Rule will terminate two years after the date of enactment of the BTATC, unless the Act is extended.