UNITED STATES BANKRUPTCY COURT DISTRICT OF MINNESOTA

In re: ADOPTION OF INTERIM BANKRUPTCY RULES IMPLEMENTING THE SMALL BUSINESS REORGANIZATION ACT OF 2019

GENERAL ORDER NO. 20-2

At Minneapolis, Minnesota, this 21st day of April, 2020.

On August 23, 2019, the Small Business Reorganization Act of 2019 (the SBRA) was enacted into law. The SBRA made many substantive and procedural changes to the Bankruptcy Code and required changes to the Federal Rules of Bankruptcy Procedure to implement those changes. However, the February 19, 2020 effective date of the SBRA occurred long before the Bankruptcy Rules could be amended under the three-year process required by the Rules Enabling Act. Accordingly, the Advisory Committee on Bankruptcy Rules (the Advisory Committee) drafted, published for comment, and subsequently approved interim bankruptcy rules (the Interim Rules) for distribution to the courts. The Committee on Rules of Practice and Procedure approved the Interim Rules, and the Judicial Conference authorized distribution of the Interim Rules to courts for adoption locally to facilitate uniform implementation of the changes mandated by the SBRA.

By General Order dated February 7, 2020, this Court adopted the Interim Bankruptcy Rules implementing the Small Business Reorganization Act of 2019.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed into law. Section 1113 of that legislation made several temporary changes to the Bankruptcy Code to provide financial assistance during the coronavirus crisis. These changes necessitate a corresponding amendment to Interim Bankruptcy Rule 1020. The Advisory Committee on Bankruptcy Rules recommended, and the Committee on Rules of Practice and Procedure and the Executive Committee of the Judicial Conference approved,

distribution of amendments to Interim Bankruptcy Rule 1020 to local courts for immediate adoption.

NOW 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,

IT IS ORDERED:

1. The following amendments to Interim Rule 1020 are adopted by the judges of this Court, to be effective April 21, 2020:

Interim 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 latterse, 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 latterse, whether the debtor is a small business debtor or a debtor as defined in § 1182(1) of the Code and, if the latterse, 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;

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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.

2. Unless otherwise ordered, the amendments to Interim Rule 1020 adopted by this order will expire automatically on the earlier of the expiration of the provisions of the CARES Act, including any extensions, to which they relate, or incorporation of the provisions of the Interim Rule into the Federal Rules of Bankruptcy Procedure.

BY THE COURT:

/e/ Michael E. Ridgway

MICHAEL E. RIDGWAY Chief United States Bankruptcy Judge /e/ Kathleen H. Sanberg

KATHLEEN HVASS SANBERG United States Bankruptcy Judge

/e/ William J. Fisher

WILLIAM J. FISHER United States Bankruptcy Judge

/e/ Robert J. Kressel

ROBERT J. KRESSEL United States Bankruptcy Judge

<u>/e/ Katherine A. Constantine</u> KATHERINE A. CONSTANTINE

United States Bankruptcy Judge