

UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF LOUISIANA

BANKRUPTCY STANDING ORDER 2022-3

**ORDER ADOPTING INTERIM BANKRUPTCY RULE**

On December 23, 2019, by General Order 2019-4, 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.

On June 21, 2022, the Bankruptcy Threshold Adjustment and Technical Corrections Act (BTATC Act), Pub. L. No. 117-151 (2022), was signed into law by the President. The BTATC Act made several changes to the Bankruptcy Code. One of those changes extends the modification of the definition of “debtor” under 11 U.S.C. § 1182(1) to increase the debt threshold for subchapter V eligibility, to \$7,500,000.00, effective retroactively to cases commenced on or after March 27, 2020, and sunsets two years after enactment of the BTATC Act.

This change has necessitated an amendment to Interim Rule 1020 that has also been approved by the Committee on Rules of Practice and Procedure; accordingly,

IT IS ORDERED that effective June 21, 2022, the attached amendment to Interim Rule 1020 is adopted and shall remain in effect until further order of the court.

Baton Rouge, Louisiana, July 22, 2022.

**s/ Douglas D. Dodd**  
DOUGLAS D. DODD  
UNITED STATES BANKRUPTCY JUDGE

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