

FILED

Clerk
District Court

APR 22 2020

for the Northern Mariana Islands

By 
(Deputy Clerk)

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN MARIANA ISLANDS**

IN RE:
AMENDMENTS TO INTERIM
BANKRUPTCY RULE 1020 ADOPTING
CARES ACT

GENERAL ORDER No. 20-00006

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. Consequently, on March 6, 2020, this Court entered General Order No. 20-00001 adopting the Interim Rules in their entirety, including Interim Rule 1020.

On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) into law. Section 1113 of that legislation makes several temporary changes to the Bankruptcy Code to provide financial assistance during the COVID-19 crisis. These changes necessitated a corresponding amendment to Interim Rule 1020. As a result, the Advisory Committee recommended that a new version of Interim Rule 1020 be distributed to local courts for adoption as a local rule by each judicial district. That recommendation was subsequently approved by the Committee on Rules of Practice and Procedure and by the Executive Committee acting on an expedited basis on behalf of the Judicial Conference. The Advisory Committee additionally approved conforming one-year technical changes to five bankruptcy forms (Official Forms 101, 122A-1, 122B, 122C-1, and 201¹).

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, the Court hereby adopts the proposed amendments to Interim Rule 1020, attached as Exhibit A. These amendments shall remain in effect until further order of the Court.

IT IS SO ORDERED this 22nd day of April 2020.



RAMONA V. MANGLONA
Chief Judge

¹ The updated versions of these forms are available at <https://www.uscourts.gov/forms/bankruptcy-forms>.

Exhibit A

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