

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA**

PUBLIC NOTICE

ORDER ADOPTING INTERIM BANKRUPTCY RULES

On August 23, 2019, the President signed the Small Business Reorganization Act of 2019 (“the Act”) into law. The Act takes effect on February 19, 2020. That law makes both substantive and procedural changes to the Bankruptcy Code and, in addition, necessitates changes to the Federal Rules of Bankruptcy Procedure. As set forth in the attached Standing Order No. 20-2, dated February 6, 2020:

However, the February 19, 2020 effective date of the Act occurs long before the Bankruptcy Rules can 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 Act.

A copy of Standing Order No. 20-2 and the Interim Bankruptcy Rules (“the Interim Rules”) are being incorporated into a new Exhibit 12 accompanying the Court’s Local Bankruptcy Rules, which, on February 19, 2020, will be placed on the Court’s internet web site’s [Local Rules](#) page. The Interim Rules shall remain in effect until further order of the Court.

Attachment

William C. Redden
Clerk of Court

Date: February 6, 2020

UNITED STATES BANKRUPTCY COURT
for the
EASTERN DISTRICT OF VIRGINIA

**ADOPTION OF INTERIM BANKRUPTCY RULES 1007, 1020, 2009, 2012,
2015, 3010, 3011, 3014, 3016, 3017.1, 3017.2, 2018, AND 3019**

NEW EXHIBIT 12: INTERIM BANKRUPTCY RULES (INTERIM RULES)



Effective February 19, 2020

(Ver. 02/05/2020)

UNITED STATES BANKRUPTCY COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

In re)
)
Adoption of Interim) Standing Order No. 20-2
Bankruptcy Rules)
)

ORDER ADOPTING INTERIM BANKRUPTCY RULES

On August 23, 2019, the Small Business Reorganization Act of 2019 (the SBRA) was enacted into law. The SBRA makes many substantive and procedural changes to the Bankruptcy Code and requires changes to the Federal Rules of Bankruptcy Procedure to implement those changes. However, the February 19, 2020 effective date of the SBRA occurs long before the Bankruptcy Rules can 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.

NOW THEREFORE, IT IS ORDERED that:

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 attached Interim Rules are adopted in their entirety without change by the judges of this Court to be effective February 19, 2020. For cases

and proceedings not governed by the SBRA, the Federal Rules of Bankruptcy Procedure and the Local Rules of this Court, other than the Interim Rules, shall apply.

The Interim Rules shall remain in effect until further order of the Court.

Attachment

FOR THE COURT:

/s/ Frank J. Santoro

FRANK J. SANTORO

Chief United States Bankruptcy Judge

Date: February 6, 2020

**INTERIM AMENDMENTS TO THE FEDERAL
RULES OF BANKRUPTCY PROCEDURE¹**

**1 Rule 1007. Lists, Schedules, Statements, and Other
2 Documents; Time Limits**

3 * * * * *

4 (b) SCHEDULES, STATEMENTS, AND OTHER
5 DOCUMENTS REQUIRED.

6 * * * * *

7 (5) An individual debtor in a chapter 11 case
8 (unless under subchapter V) shall file a statement of
9 current monthly income, prepared as prescribed by
10 the appropriate Official Form.

11 * * * * *

12 (h) INTERESTS ACQUIRED OR ARISING
13 AFTER PETITION. If, as provided by § 541(a)(5) of the
14 Code, the debtor acquires or becomes entitled to acquire any
15 interest in property, the debtor shall within 14 days after the
16 information comes to the debtor's knowledge or within such
17 further time the court may allow, file a supplemental
18 schedule in the chapter 7 liquidation case, chapter 11
19 reorganization case, chapter 12 family farmer's debt
20 adjustment case, or chapter 13 individual debt adjustment

¹ These interim bankruptcy rules (the Interim Rules) have been prepared by the Advisory Committee on Bankruptcy Rules and approved by the Judicial Conference of the United States to be adopted as local rules by the Bankruptcy Courts to implement the procedural and substantive changes to the Bankruptcy Code made by the Small Business Reorganization Act of 2019. The Interim Rules will be withdrawn after similar amendments can be made to the Rules of Bankruptcy Procedure under the normal Rules Enabling Act process.

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21 case. If any of the property required to be reported under
 22 this subdivision is claimed by the debtor as exempt, the
 23 debtor shall claim the exemptions in the supplemental
 24 schedule. This duty to file a supplemental schedule
 25 continues even after the case is closed, except for property
 26 acquired after an order is entered:

27 (1) confirming a chapter 11 plan (other than one
 28 confirmed under § 1191(b)); or
 29 (2) discharging the debtor in a chapter 12 case, a
 30 chapter 13 case, or a case under subchapter V of
 31 chapter 11 in which the plan is confirmed under
 32 § 1191(b).

33 * * * * *

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

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 and, if so, whether the debtor elects to have
 7 subchapter V of chapter 11 apply. In an involuntary chapter
 8 11 case, the debtor shall file within 14 days after entry of the
 9 order for relief a statement as to whether the debtor is a small
 10 business debtor and, if so, whether the debtor elects to have
 11 subchapter V of chapter 11 apply. The status of the case as
 12 a small business case or a case under subchapter V of chapter

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13 11 shall be in accordance with the debtor's statement under
 14 this subdivision, unless and until the court enters an order
 15 finding that the debtor's statement is incorrect.

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

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

1 **Rule 2009. Trustees for Estates When Joint**

2 **Administration Ordered**

3 (a) ELECTION OF SINGLE TRUSTEE FOR
 4 ESTATES BEING JOINTLY ADMINISTERED. If the
 5 court orders a joint administration of two or more estates
 6 under Rule 1015(b), creditors may elect a single trustee for
 7 the estates being jointly administered, unless the case is
 8 under subchapter V of chapter 7 or subchapter V of chapter

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9 11 of the Code.

10 (b) RIGHT OF CREDITORS TO ELECT
 11 SEPARATE TRUSTEE. Notwithstanding entry of an order
 12 for joint administration under Rule 1015(b), the creditors of
 13 any debtor may elect a separate trustee for the estate of the
 14 debtor as provided in § 702 of the Code, unless the case is
 15 under subchapter V of chapter 7 or subchapter V of chapter
 16 11.

17 (c) APPOINTMENT OF TRUSTEES FOR
 18 ESTATES BEING JOINTLY ADMINISTERED.

19 * * * * *

20 (2) *Chapter 11 Reorganization Cases.* If the
 21 appointment of a trustee is ordered or is required by
 22 the Code, the United States trustee may appoint one
 23 or more trustees for estates being jointly
 24 administered in chapter 11 cases.

25 * * * * *

1 **Rule 2012. Substitution of Trustee or Successor**
 2 **Trustee; Accounting**

3 (a) TRUSTEE. If a trustee is appointed in a chapter
 4 11 case (other than under subchapter V), or the debtor is
 5 removed as debtor in possession in a chapter 12 case or in a
 6 case under subchapter V of chapter 11, the trustee is
 7 substituted automatically for the debtor in possession as a

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8 party in any pending action, proceeding, or matter.

9 * * * * *

1 **Rule 2015. Duty to Keep Records, Make Reports, and**
2 **Give Notice of Case or Change of Status**

3 (a) TRUSTEE OR DEBTOR IN POSSESSION. A
4 trustee or debtor in possession shall:

5 (1) in a chapter 7 liquidation case and, if the
6 court directs, in a chapter 11 reorganization case
7 (other than under subchapter V), file and transmit to
8 the United States trustee a complete inventory of the
9 property of the debtor within 30 days after qualifying
10 as a trustee or debtor in possession, unless such an
11 inventory has already been filed;

12 (2) keep a record of receipts and the
13 disposition of money and property received;

14 (3) file the reports and summaries required by
15 § 704(a)(8) of the Code, which shall include a
16 statement, if payments are made to employees, of the
17 amounts of deductions for all taxes required to be
18 withheld or paid for and in behalf of employees and
19 the place where these amounts are deposited;

20 (4) as soon as possible after the
21 commencement of the case, give notice of the case to
22 every entity known to be holding money or property
23 subject to withdrawal or order of the debtor,

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24 including every bank, savings or building and loan
25 association, public utility company, and landlord
26 with whom the debtor has a deposit, and to every
27 insurance company which has issued a policy having
28 a cash surrender value payable to the debtor, except
29 that notice need not be given to any entity who has
30 knowledge or has previously been notified of the
31 case;

32 (5) in a chapter 11 reorganization case (other
33 than under subchapter V), on or before the last day
34 of the month after each calendar quarter during
35 which there is a duty to pay fees under 28 U.S.C.
36 § 1930(a)(6), file and transmit to the United States
37 trustee a statement of any disbursements made
38 during that quarter and of any fees payable under 28
39 U.S.C. § 1930(a)(6) for that quarter; and

40 (6) in a chapter 11 small business case, unless
41 the court, for cause, sets another reporting interval,
42 file and transmit to the United States trustee for each
43 calendar month after the order for relief, on the
44 appropriate Official Form, the report required by
45 § 308. If the order for relief is within the first 15 days
46 of a calendar month, a report shall be filed for the
47 portion of the month that follows the order for relief.
48 If the order for relief is after the 15th day of a

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49 calendar month, the period for the remainder of the
50 month shall be included in the report for the next
51 calendar month. Each report shall be filed no later
52 than 21 days after the last day of the calendar month
53 following the month covered by the report. The
54 obligation to file reports under this subparagraph
55 terminates on the effective date of the plan, or
56 conversion or dismissal of the case.

57 (b) TRUSTEE, DEBTOR IN POSSESSION, AND
58 DEBTOR IN A CASE UNDER SUBCHAPTER V OF
59 CHAPTER 11. In a case under subchapter V of chapter 11,
60 the debtor in possession shall perform the duties prescribed
61 in (a)(2)–(4) and, if the court directs, shall file and transmit
62 to the United States trustee a complete inventory of the
63 debtor’s property within the time fixed by the court. If the
64 debtor is removed as debtor in possession, the trustee shall
65 perform the duties of the debtor in possession prescribed in
66 this subdivision (b). The debtor shall perform the duties
67 prescribed in (a)(6).

68 (c) CHAPTER 12 TRUSTEE AND DEBTOR IN
69 POSSESSION. In a chapter 12 family farmer’s debt
70 adjustment case, the debtor in possession shall perform the
71 duties prescribed in clauses (2)–(4) of subdivision (a) of this
72 rule and, if the court directs, shall file and transmit to the
73 United States trustee a complete inventory of the property of

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74 the debtor within the time fixed by the court. If the debtor is
75 removed as debtor in possession, the trustee shall perform
76 the duties of the debtor in possession prescribed in this
77 subdivision (c).

78 (d) CHAPTER 13 TRUSTEE AND
79 DEBTOR.

80 (1) *Business Cases.* In a chapter 13
81 individual's debt adjustment case, when the debtor is
82 engaged in business, the debtor shall perform the
83 duties prescribed by clauses (2)–(4) of subdivision
84 (a) of this rule and, if the court directs, shall file and
85 transmit to the United States trustee a complete
86 inventory of the property of the debtor within the
87 time fixed by the court.

88 (2) *Nonbusiness Cases.* In a chapter 13
89 individual's debt adjustment case, when the debtor is
90 not engaged in business, the trustee shall perform the
91 duties prescribed by clause (2) of subdivision (a) of
92 this rule.

93 (e) FOREIGN REPRESENTATIVE. In a case in
94 which the court has granted recognition of a foreign
95 proceeding under chapter 15, the foreign representative shall
96 file any notice required under § 1518 of the Code within 14
97 days after the date when the representative becomes aware
98 of the subsequent information.

99 (f) TRANSMISSION OF REPORTS. In a chapter

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100 11 case the court may direct that copies or summaries of
 101 annual reports and copies or summaries of other reports shall
 102 be mailed to the creditors, equity security holders, and
 103 indenture trustees. The court may also direct the publication
 104 of summaries of any such reports. A copy of every report or
 105 summary mailed or published pursuant to this subdivision
 106 shall be transmitted to the United States trustee.

1 **Rule 3010. Small Dividends and Payments in Cases**
 2 **Under Chapter 7, Subchapter V of Chapter 11, Chapter**
 3 **12, and Chapter 13**

4 * * * * *

5 (b) CASES UNDER SUBCHAPTER V OF
 6 CHAPTER 11, CHAPTER 12, AND CHAPTER 13. In a
 7 case under subchapter V of chapter 11, chapter 12, or chapter
 8 13, no payment in an amount less than \$15 shall be
 9 distributed by the trustee to any creditor unless authorized
 10 by local rule or order of the court. Funds not distributed
 11 because of this subdivision shall accumulate and shall be
 12 paid whenever the accumulation aggregates \$15. Any funds
 13 remaining shall be distributed with the final payment.

1 **Rule 3011. Unclaimed Funds in Cases Under Chapter 7,**
 2 **Subchapter V of Chapter 11, Chapter 12, and Chapter**
 3 **13**

4 The trustee shall file a list of all known names and

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5 addresses of the entities and the amounts which they are
6 entitled to be paid from remaining property of the estate that
7 is paid into court pursuant to § 347(a) of the Code.

1 **Rule 3014. Election Under § 1111(b) by Secured**
2 **Creditor in Chapter 9 Municipality or Chapter 11**
3 **Reorganization Case**

4 An election of application of § 1111(b)(2) of the
5 Code by a class of secured creditors in a chapter 9 or 11 case
6 may be made at any time prior to the conclusion of the
7 hearing on the disclosure statement or within such later time
8 as the court may fix. If the disclosure statement is
9 conditionally approved pursuant to Rule 3017.1, and a final
10 hearing on the disclosure statement is not held, the election
11 of application of § 1111(b)(2) may be made not later than the
12 date fixed pursuant to Rule 3017.1(a)(2) or another date the
13 court may fix. In a case under subchapter V of chapter 11 in
14 which § 1125 of the Code does not apply, the election may
15 be made not later than a date the court may fix. The election
16 shall be in writing and signed unless made at the hearing on
17 the disclosure statement. The election, if made by the
18 majorities required by § 1111(b)(1)(A)(i), shall be binding
19 on all members of the class with respect to the plan.

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1 **Rule 3017.1. Court Consideration of Disclosure**
 2 **Statement in a Small Business Case or in a Case Under**
 3 **Subchapter V of Chapter 11**

4 (a) CONDITIONAL APPROVAL OF
 5 DISCLOSURE STATEMENT. In a small business case or
 6 in a case under subchapter V of chapter 11 in which the court
 7 has ordered that § 1125 applies, the court may, on
 8 application of the plan proponent or on its own initiative,
 9 conditionally approve a disclosure statement filed in
 10 accordance with Rule 3016. On or before conditional
 11 approval of the disclosure statement, the court shall:

- 12 (1) fix a time within which the holders of claims and
 13 interests may accept or reject the plan;
 14 (2) fix a time for filing objections to the disclosure
 15 statement;
 16 (3) fix a date for the hearing on final approval of the
 17 disclosure statement to be held if a timely objection
 18 is filed; and
 19 (4) fix a date for the hearing on confirmation.

20 * * * * *

1 **Rule 3017.2. Fixing of Dates by the Court in Subchapter**
 2 **V Cases in Which There Is No Disclosure Statement**

3 In a case under subchapter V of chapter 11 in which

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4 § 1125 does not apply, the court shall:

5 (a) fix a time within which the holders of claims
6 and interests may accept or reject the plan;

7 (b) fix a date on which an equity security holder
8 or creditor whose claim is based on a security must
9 be the holder of record of the security in order to be
10 eligible to accept or reject the plan;

11 (c) fix a date for the hearing on confirmation; and

12 (d) fix a date for transmission of the plan, notice
13 of the time within which the holders of claims and
14 interests may accept or reject the plan, and notice of
15 the date for the hearing on confirmation.

1 **Rule 3018. Acceptance or Rejection of Plan in a Chapter**
2 **9 Municipality or a Chapter 11 Reorganization Case**

3 (a) ENTITIES ENTITLED TO ACCEPT OR
4 REJECT PLAN; TIME FOR ACCEPTANCE OR
5 REJECTION. A plan may be accepted or rejected in
6 accordance with § 1126 of the Code within the time fixed by
7 the court pursuant to Rule 3017, 3017.1, or 3017.2. Subject
8 to subdivision (b) of this rule, an equity security holder or
9 creditor whose claim is based on a security of record shall
10 not be entitled to accept or reject a plan unless the equity
11 security holder or creditor is the holder of record of the
12 security on the date the order approving the disclosure

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13 statement is entered on another date fixed by the court
 14 under Rule 3017.2, or fixed for cause after notice and a
 15 hearing. For cause shown, the court after notice and hearing
 16 may permit a creditor or equity security holder to change or
 17 withdraw an acceptance or rejection. Notwithstanding
 18 objection to a claim or interest, the court after notice and
 19 hearing may temporarily allow the claim or interest in an
 20 amount which the court deems proper for the purpose of
 21 accepting or rejecting a plan.

22 * * * * *

1 **Rule 3019. Modification of Accepted Plan in a Chapter**

2 **9 Municipality or a Chapter 11 Reorganization Case**

3 * * * * *

4 (b) MODIFICATION OF PLAN AFTER
 5 CONFIRMATION IN INDIVIDUAL DEBTOR CASE. If
 6 the debtor is an individual, a request to modify the plan under
 7 § 1127(e) of the Code is governed by Rule 9014. The request
 8 shall identify the proponent and shall be filed together with
 9 the proposed modification. The clerk, or some other person
 10 as the court may direct, shall give the debtor, the trustee, and
 11 all creditors not less than 21 days' notice by mail of the time
 12 fixed to file objections and, if an objection is filed, the
 13 hearing to consider the proposed modification, unless the
 14 court orders otherwise with respect to creditors who are not
 15 affected by the proposed modification. A copy of the notice

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16 shall be transmitted to the United States trustee, together
17 with a copy of the proposed modification. Any objection to
18 the proposed modification shall be filed and served on the
19 debtor, the proponent of the modification, the trustee, and
20 any other entity designated by the court, and shall be
21 transmitted to the United States trustee.

22 (c) MODIFICATION OF PLAN AFTER
23 CONFIRMATION IN A SUBCHAPTER V CASE. In a
24 case under subchapter V of chapter 11, a request to modify
25 the plan under § 1193(b) or (c) of the Code is governed by
26 Rule 9014, and the provisions of this Rule 3019(b) apply.