## IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF TEXAS

### **GENERAL ORDER 20-3**

# ALTERATIONS TO COURT OPERATIONS UNDER EXIGENT CIRCUMSTANCES ARISING FROM COVID-19 PANDEMIC

This General Order is issued in response to the recent outbreak of respiratory illness, designated as COVID-19, in the United States and the State of Texas which is caused by a novel coronavirus. The World Health Organization has documented the spread of COVID-19 into more than 163 countries on six continents to date and the WHO has declared this as a global pandemic. In light of the confirmed COVID-19 cases in and around the Eastern District of Texas, the Court notes the issuance of certain mandatory governmental directives, as well as the evolving guidance regarding public protection provided by the United States Centers for Disease Control and Prevention ("CDC"), which are either mandating or recommending significant restrictions on gatherings of people and are encouraging the use of other social distancing strategies in an effort to slow the spread of the virus to new communities. At this time, the Court is focusing upon reducing the necessity of physical appearances in a crowded courtroom, while anticipating that attorneys will generally continue office operations, whether in-office or remotely. The Court acknowledges that more comprehensive relief may be required in the future. Thus, in an effort to protect the health and safety of the public, including Court employees, litigants, attorneys, and other individuals from unnecessary risks,

### **IT IS THEREFORE ORDERED** that:

- 1. <u>Continuance of Trials and Hearings Currently Scheduled</u>. For all matters currently scheduled for hearing or trial on or before May 15, 2020, all such hearings or trials are continued to a date to be determined beyond May 15, 2020 (the "Delay Period") subject to the voluntary submission of consensual resolutions of pending matters as set forth below.
- 2. <u>Voluntary Submission of Agreements on Pending Matters</u>. In a manner consistent with safety and health directives and considerations, parties and their counsel are encouraged to continue to reach consensual resolution of pending matters and to submit appropriate orders to the Court for consideration.
- 3. <u>Hearings on All Pending or Subsequently-Filed Matters</u>. For pending matters not currently set for hearing, including matters currently in negative notice suspense, any hearing required to be conducted shall be scheduled for a date to be determined beyond May 15, 2020.

### 4. Exceptions to Delay Period.

- a. A party who seeks a hearing before the Court during the Delay Period must file a Request for Emergency Hearing or Request for Expedited Hearing pursuant to LBR 9007. Such request must identify the specific rationale that explains why enforcement of the Delay Period will cause undue prejudice to the moving party.
- b. Means of Hearing. If the Court grants the hearing request, the Court will exercise its discretion to determine the means by which the hearing will be conducted, including telephonic and video conferencing technologies, with particular emphasis on safety and health considerations of all concerned. Direct examination of witnesses for telephonic or video hearings should be made by affidavit or unsworn declaration filed or uploaded to the Court at least three (3) hours prior to the hearing, and such witnesses must be available for cross-examination via the technological means selected for the hearing. No prior permission will be required for any telephonic

appearance in any hearing conducted in the Delay Period and the Courtroom Deputy will provide contact information upon request.

- c. <u>"First Day" Matters in Chapter 11</u>. The Court acknowledges that a request for emergency hearing may be tendered for consideration of certain "first-day" matters in a new chapter 11 case. In such circumstance, the movant is excused from the specific rationale requirement expressed in ¶ 4(a) above, but should address its position on the means by which the hearing should be conducted with particular emphasis on safety and health considerations of all concerned. The Court will then exercise its discretion on a case-by-case basis to determine the means by which the hearing will be conducted.
- d. Stay Continuation and Imposition Motions. With regard to motions for continuation or imposition of the automatic stay pursuant to 11 U.S.C. § 362(c), the provisions of LBR 4000(a)(5) shall continue to apply under which the Court will exercise its discretion either to utilize the deadline orders conforming to TXEB Local Form 4000-a to identify objections or to set an accelerated hearing on such motions provided; however, that, in lieu of conducting an actual hearing during the Delay Period, the Court may utilize a bridge order which continues or imposes the stay during the Delay Period until a hearing can be safely conducted. Should the Court exercise its discretion to conduct a hearing on such motion during the Delay Period, it shall determine the means by which the hearing will be conducted in light of safety and health considerations and the directives of ¶ 4(b) above shall apply.
- e. <u>Chapter 13 confirmation settings</u>. Confirmation hearings in Chapter 13 cases may continue to be scheduled for future confirmation dates in the issued § 341 meeting notices but, while the Court will accept submission of agreements on such scheduled matters prior to the hearing date pursuant to ¶ 2 above, no contested confirmation hearings will actually be conducted during the Delay Period except by a specific order of the Court.

- 5. Declarations for Electronic Filing. Declarations for Electronic Filing pertaining to any petition, list, schedule, or statement that requires verification or an unsworn declaration under Fed. R. Bankr. P. 1008 containing a signature in an image format may be filed with the Court by electronic means during the Delay Period. Such a filing constitutes a certification by the debtor's attorney that: (1) the attorney is in possession of, at a minimum, an electronic or facsimile transmission version of the signed declaration; (2) the attorney has instructed the debtor to forward the originally signed declaration [i.e., with a "wet" signature] promptly to the attorney; (3) the attorney will forward the originally signed declaration to the Court upon receipt; and (4) the attorney has advised the debtor that any failure to file the originally signed declaration within 30 days of the termination of the Delay Period could result in the dismissal of the case.
- 6. <u>Clerk Contacts</u>. All divisional offices will remain open for business during the Delay Period, although teleworking procedures may be implemented for most staff. Such staff will be accessible by telephone and email. Please see the Clerk's Notice regarding the COVID-19 Pandemic accessible on the Court's website [www.txeb.uscourts.gov] for instructions for contacting Court staff. For protection of court users as well as of court staff, however, face-to-face access at the intake desk is heavily discouraged and individuals appearing *pro se* are encouraged to file documents through the Court's emergency filing e-mail address, emergencyfiling@txeb.uscourts.gov. Of course, electronic filings may continue to be made through the CM-ECF system.
- 7. <u>Extension of Deadlines Code</u>. In addition to deadlines extended in other paragraphs herein, the following deadlines otherwise imposed by the Bankruptcy Code are hereby extended:
  - a. § 521(a)(2): the time periods for a debtor to file a statement of intention with regard to property securing a debt, and for performing such an intention, are each extended and the filing requirement shall commence in a case on the date upon

which the § 341 meeting of creditors is first convened therein and the performance requirement is extended to 30 days thereafter;

- b. § 521(e)(2)(A): the time period for a debtor to tender a federal income tax return to the trustee is extended to 7 days prior to the date upon which a particular § 341 meeting of creditors is first convened therein;
- c. § 1112(b)(3): the time period within which the Court must commence a hearing on a dismissal motion pursuant to this subsection is extended to 45 days beyond the termination of the Delay Period due to the existence of compelling circumstances and dangers arising from the COVID-19 pandemic which prevents the Court from meeting the time limits;
- d. § 1129(e): the time period within which the Court must confirm a proposed plan by a small business debtor is extended to 45 days beyond the termination of the Delay Period, notwithstanding § 1121(e)(3), due to the circumstances and dangers presented by the COVID-19 pandemic;
- e. § 1188(b): the time period within which a status conference must be conducted in a Chapter 11 case under subchapter V is extended to 45 days beyond the termination of the Delay Period due to the existence of compelling circumstances and dangers arising from the COVID-19 pandemic for which the debtor should not justly be held accountable; ;
- f. § 1224: the time period within which the Court must conclude a confirmation hearing regarding a proposed Chapter 12 plan is extended to 45 days beyond the termination of the Delay Period due to the circumstances and dangers presented by the COVID-19 pandemic;
- g. § 1324: the time period within which the Court must conduct a confirmation hearing regarding a proposed Chapter 13 plan is extended to a period not later than 45 days from the date upon which the § 341 meeting of creditors is first convened in that particular case.

- 8. <u>Extension of Deadlines Rules</u>. In light of the decision of the United States
  Trustee to continue previously-scheduled § 341 meetings of creditors in response
  to the COVID-19 threat, the following deadlines under the Federal Rules of
  Bankruptcy Procedure are hereby extended:
  - a. <u>Rule 1007(b)(7)</u>: the 60-day time period for filing a statement regarding the completion of an instructional course concerning personal financial management is extended and shall commence in a case on the date upon which a particular § 341 meeting of creditors is first convened therein;
  - b. Rule 1017(e)(1): the 60-day time period for the United States Trustee to file a motion to dismiss for abuse is extended and shall commence in a case on the date upon which the § 341 meeting of creditors is first convened therein;
  - c. <u>Rule 2015.3(b)</u>: the time period for the filing of the initial Chapter 11 Related Entity Financial Report is extended and shall be filed 7 days prior to the rescheduled date for the § 341 meeting of creditors;
  - d. Rule 4004(a): the 60-day time period for the filing of any objection to the debtor's discharge is extended and shall commence in a case on the date upon which the § 341 meeting of creditors is first convened therein;
  - e. <u>Rule 4007(c)</u>: the 60-day time period for the filing of any complaint to determine the dischargeability of a debt under § 523(c) is extended and shall commence in a case on the date upon which the § 341 meeting of creditors is first convened therein;
  - f. Rule 4008(a): the 60-day time period for the filing of a reaffirmation agreement is extended and shall commence in a case on the date upon which the § 341 meeting of creditors is first convened therein;

9.	Unless extended, this Order will remain in effect through May 15, 2020, and will
	then expire.

SIGNED this the and day of March, 2020.

BILL PARKER

CHIEF UNITED STATES BANKRUPTCY JUDGE