

The SBRA and the CARES Act: How They Help in Today's Health & Economic Crisis

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Speakers on Today's Program



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AMERICAN
BANKRUPTCY
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BOTH LAWS AID CONSUMERS AND SMALL BUSINESSES

CONSUMERS RETAIN UNEMPLOYMENT BENEFITS UNDER CARES ACT

TIMELINE:

- SBRA ENACTED: AUGUST 2019
- SBRA EFFECTIVE DATE: FEBRUARY 19, 2020
- CARES ACT ENACTED/EFFECTIVE: MARCH 27, 2020

CARES ACT: SMALL BUSINESSES

**SMALL BUSINESS DEBT CAP INCREASED
TO \$7.5 MILLION FOR ONE YEAR**



CARES ACT: CONSUMER

- UNEMPLOYED DEBTORS: ARE THEY ELIGIBLE FOR CHAPTER 13 UNDER CARES ACT?
- FILE NOW UNDER CHAPTER 13, OR WAIT TO FILE UNDER CHAPTER 7?
- CARES ACT AMENDMENTS FOR CHAPTERS 13 AND 7

CARES ACT: CONSUMER

- BENEFITS EXCLUDED FROM 'INCOME' AND 'DISPOSABLE INCOME'
- ARE STATE UNEMPLOYMENT BENEFITS EXCLUDED, TOO?



CARES ACT: CONSUMER

- CARES ACT AMENDMENTS TO CONFIRMED CHAPTER 13 PLANS
- AMENDMENTS: STRETCH OUT PLAN TO 7 YEARS AND REDUCE PAYMENTS TO CREDITORS

SBRA OVERVIEW



SBRA

- IS THE \$7.5 MILLION DEBT CAP RETROACTIVE?
- CAN A SINGLE-ASSET DEBTOR QUALIFY AS A ‘SMALL BUSINESS’?



SBRA

- IS THERE A CREDITORS' COMMITTEE?
- WHAT DOES THE TRUSTEE DO?
- CAN A DIP BE REMOVED?



SBRA

- WHAT CONSTITUTES PROPERTY OF THE ESTATE?
- WHAT ARE THE DIP'S DUTIES? WHAT ARE THE DEADLINES?
- WHAT HAPPENS AT THE INITIAL STATUS CONFERENCE?

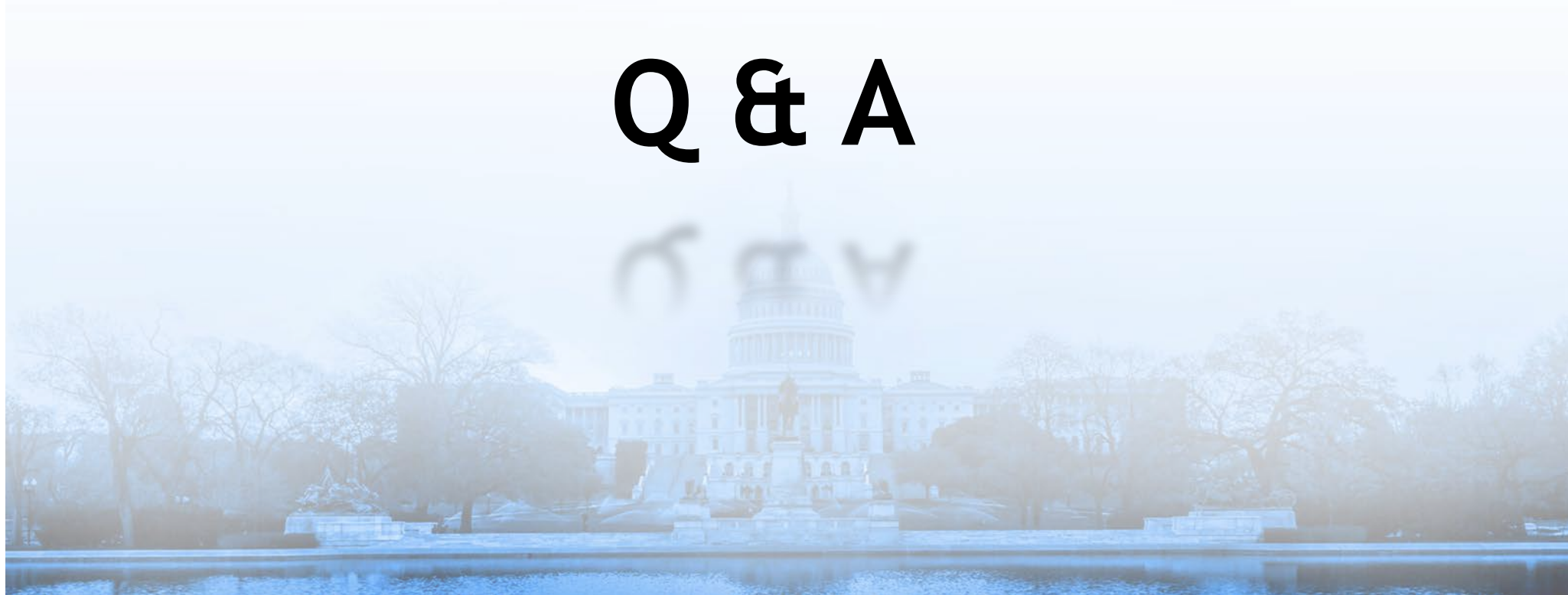
SBRA

- WHO MAY FILE A PLAN? IS THERE A DISCLOSURE STATEMENT?
- PLAN CONFIRMATION: WHO VOTES? WHAT'S THE CONFIRMATION STANDARD IF THERE'S AN OBJECTION?

SBRA

- DISTRIBUTIONS: WHO MAKES THEM AND WHEN DO THEY BEGIN?
- ADEQUATE PROTECTION: WHO GETS IT AND WHY?
- IS DEBTOR'S COUNSEL DISQUALIFIED FOR HOLDING A CLAIM?

Q & A





THANK YOU FOR ATTENDING TODAY'S WEBINAR!

For more information on SBRA and the CARES Act, be sure to visit
www.abi.org/sbra.

