

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.

Committee Note

The rule is amended in response to the enactment of the Small Business Reorganization Act of 2019, Pub. L. No. 116-54, 133 Stat. 1079. That law gives a small business debtor the option of electing to be a debtor under subchapter V of chapter 11. Because there generally will not be a disclosure statement in a subchapter V case, *see* § 1181(b) of the Code, the rule is amended to provide a deadline for making an election under § 1111(b) in such cases that is set by the court.