

Kelli Norfleet in Law360: 'COVID-19 Has Drawn Spotlight to Texas Bankruptcy Court'

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PRACTICES Restructuring

Haynes Boone Partner [Kelli Norfleet](#) talked with *Law360* about how attorneys attribute the surge of commercial bankruptcy filings in the Southern District of Texas during 2020 to the accessibility, ingenuity and predictability of a pair of Houston judges who have spent years giving the district a high profile.

Here is an excerpt:

Houston's bankruptcy court tallied 1,363 Chapter 11 filings in 2020, almost quadrupling the 361 cases filed in the district in 2019, and making it the second-busiest bankruptcy docket behind Delaware, which saw 1,628 filings. Houston far outpaced the third-busiest docket in the country, the Southern District of New York, which reported 692 filings, according to U.S. Courts data.

While the pandemic forced more businesses than normal into bankruptcy last year, Lone Star State attorneys told *Law360* there's more to Houston's growing Chapter 11 docket than COVID-19. A two-judge complex case bench known for its nearly round-the-clock availability, willingness to walk counsel through tough situations, openness to creative reorganization plans and proven track record has helped establish the Southern District as a commercial bankruptcy hotspot in recent years.

Attorneys expect 2021 to produce at least as many commercial bankruptcy filings as 2020.

Haynes Boone Partner Kelli Norfleet added that many of the companies who filed for bankruptcy in 2020 did so to get ahead of the curve, which will put the companies that are forced into bankruptcy this year in a tough spot.

There were several prepackaged bankruptcy filings in 2020, but Norfleet said she expects that will be less likely this year as assets dry up and shareholders fight to get their money back.

"It will be tougher in 2021, particularly as stakeholders who have lost a lot of value in 2020 are less willing to lose more in 2021," she said.

To read the full article, click [here](#). (Subscription required)