



Issue Date: 17 April 2009

CASE NO.: 2004-STA-00051

WILLIAM PIKE,
Complainant

vs.

INTERSTATE BRANDS COMPANIES,
Respondent.

RECOMMENDED DECISION AND ORDER OF DISMISSAL

This is an employment discrimination complaint presented to the Secretary of Labor under section 405 of the Surface Transportation Assistance Act (STAA), 49 U.S.C. § 31105. The Respondent petitioned for Chapter 11 bankruptcy protection in the U.S. Bankruptcy Court for the Western District of Missouri. On October 28, 2004, this and another case by the Complainant were stayed until the conclusion of the bankruptcy proceedings, pursuant to the automatic stay provision of Section 362 of the Bankruptcy Code, 11 U.S.C. § 362.

On December 5, 2008, the United States Bankruptcy Court for the Western District of Missouri entered an Order Confirming Amended Joint Plan of Reorganization of Interstate Bakeries Corporation and its Affiliated Debtors and Debtors-in-Possession Dated October 31, 2008 (Plan of Reorganization).¹ The Plan of Reorganization was effective on February 3, 2009.² A final discharge of claims occurs once a plan of reorganization is confirmed by a court. 11 U.S.C. § 1141(d)(1). As of the confirmation date, the Respondent was discharged and released from claims pending against it. The discharge operates as an injunction against the continuation of claims, which effectively replaces the automatic stay. 11 U.S.C. §§ 524(a); 362(c)(2)(C).

The Respondent believes that due to the bankruptcy discharge, the matter should be dismissed with prejudice. The Complainant argues the case should proceed on the merits now, because the Bankruptcy Court had no subject-matter jurisdiction over his claim and cannot dismiss it. It doesn't appear the Bankruptcy Court dismissed the Complainant's STAA claim, rather it discharged the liability

¹ See <http://www.kccllc.net/documents/0445814/044581408120500000000009.pdf>.

² See <http://www.kccllc.net/documents/0445814/044581409020300000000001.pdf>.

represented by the claim he made to the Secretary of Labor. The Complainant does not dispute that the claim expunged by the bankruptcy court is the same one pending here.

The Administrative Review Board recently held that cases stayed during bankruptcy proceedings remain pending until the bankruptcy petition is dismissed, a discharge is granted (or denied) or the bankruptcy court lifts the automatic stay.³ Now that a Plan of Reorganization has been confirmed, and the Complainant's claim has been "Resolved Expunged,"⁴ this case is dismissed.

So Ordered.

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William Dorsey
ADMINISTRATIVE LAW JUDGE

³ *Haubold v. KTL Trucking Company*, ARB No. 08-025, ALJ No. 2000-STA-35 (ARB Feb. 27, 2009).

⁴ See Creditor Data for Claim Number 7238 at www.kccllc.net/ibc.