

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
FORT MYERS DIVISION

WENDALL HALL,

Plaintiff,

v.

Case No.: 2:22-cv-530-SPC-KCD

MALINDA MASTERS,

Defendant.

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OPINION AND ORDER

Before the Court is the defendants' Suggestion of Bankruptcy and Notice of Stay (Doc. 61). Wellpath Holdings, Inc. and affiliated entities—one of which is presumably the defendants' employer—have declared Chapter 11 bankruptcy in the United States Bankruptcy Court for the Southern District of Texas, Case No. 24-90533. The defendants ask the Court to apply the automatic stay to this case.

A bankruptcy petition operates to stay litigation of all pre-petition claims against the debtor. 11 U.S.C. § 362(a)(1). The protections of this automatic stay generally extend to the debtor alone. *In re Boginsky*, 658 B.R. 209, 211 (Bankr. S.D. Fla. 2024); *see also In re TXNB Internal Case*, 483 F.3d 292, 301 (5th Cir. 2007) (“Section 362(a)...does not apply, however, to actions not directed against the debtor or property of the debtor.”). Although the

automatic stay generally does not protect non-debtors, bankruptcy courts have the power to extend the stay to enjoin suits against non-debtors in certain situations. *Id.*

The court in Wellpath’s bankruptcy case has extended the stay to “lawsuits filed as of the Petition Date in which a Debtor is named as one of the defendants therein.” Amended Interim Order Enforcing the Automatic Stay, entered Nov. 12, 2024, *In re Wellpath Holdings, Inc. et al.*, No. 24-90533, at *1 n.3 (Bankr. S.D. Tex.). Rider 1 to Wellpath’s bankruptcy petition lists the Debtors. None of those Debtors are named as a defendant in this case. Also, this Court lacks jurisdiction to stay the case because the plaintiff filed a notice of appeal. *See Griggs v. Provident Consumer Discount Co.*, 459 U.S. 56, 58 (1982) (“The filing of a notice of appeal...confers jurisdiction on the court of appeal and divests the district court of its control over those aspects of the case involved in the appeal.”).

Accordingly, the defendants’ request to stay this case is **denied**.

DONE and **ORDERED** in Fort Myers, Florida on November 21, 2024.


SHERI POLSTER CHAPPELL
UNITED STATES DISTRICT JUDGE

SA: FTMP-1

Copies: All Parties of Record