

**Office of the Clerk
United States Bankruptcy Court
Eastern District of California**

NOTICE CONCERNING EXPIRATION OF CHAPTER 12 OF THE BANKRUPTCY CODE

January 29, 2004

On August 15, 2003, the President signed legislation extending and reenacting chapter 12 of the Bankruptcy Code for a six month period beginning July 1, 2003. Section 149(a) of title I of division C, Pub. L. No. 105-277, 112 Stat. 2681-611 (1998) as amended by Pub. L. No. 108-73, 117 Stat. 891 (2003). Although several bills that would affect the status of chapter 12 are pending in Congress,¹ no further legislation concerning chapter 12 has been passed.

Consequently, chapter 12 expired January 1, 2004. Pending chapter 12 cases are not affected by this event. Those cases, as well as all matters and proceedings related to them, should be conducted as if chapter 12 had not expired.

Chapter 12 was originally enacted in the mid-1980's as an emergency measure. It had a sunset provision and has been temporarily extended by Congress several times. We will keep you informed of further developments.

¹ On November 25, 2003, the Senate passed S. 1920, which would extend chapter 12 until July 1, 2004. The House of Representatives has not voted on bills that would provide a similar extension (H.R. 3540 and 3542). Additionally, on December 9, 2003, Senator Grassley (R-IA) introduced S. 2004, which would make chapter 12 a permanent feature of the Bankruptcy Code, increase the debt limits for chapter 12 filings, and add family fisherman to those eligible to file for such relief. S. 2004 has been referred to the Senate Judiciary Committee.