

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

**Bankruptcy Code Chapter 12 Extended through January 1, 2003**

May 22, 2002

On May 7, 2002, the President signed H.R. 4167 (P.L. 107-170, 116 Stat. 133), which extended chapter 12 of the Bankruptcy Code for eight months, retroactive from October 1, 2001, and ending June 1, 2002. The Farm Security and Rural Investment Act of 2002 (P.L. 107-171, 116 Stat. 134), signed by the President on May 13, 2002, extends chapter 12 an additional seven months, from June 1, 2002, through January 1, 2003.

The Farm Security and Rural Investment Act of 2002 amends the Omnibus Consolidated and Emergency Supplemental Appropriations Act of 1999 (P.L. 105-277 (1998)), to read, in part, as follows:

- (a) Chapter 12 of title 11 of the United States Code, as in effect on May 31, 2002, is hereby reenacted for the period beginning on June 1, 2002, and ending January 1, 2003.
- (b) All cases commenced or pending under chapter 12 of title 11, United States Code, as reenacted under subsection (a), and all matters and proceedings in or relating to such cases, shall be conducted and determined under such chapter as if such chapter were continued in effect after January 1, 2003. The substantive rights of parties in connection with such cases, matters, and proceedings shall continue to be governed under the law applicable to such cases, matters, and proceedings as if such chapter were continued in effect after January 1, 2003.

Thus, the net effect of both bills, read conjunctively, is to extend chapter 12 retroactively from October 1, 2001 through January 1, 2003. The expiration and retroactive reenactment of chapter 12 do not affect cases that were pending under chapter 12 as of September 30, 2001.

Pending bankruptcy reform legislation would make chapter 12 a permanent chapter of the Bankruptcy Code. We will continue to advise you of further developments.