

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

Bankruptcy Code Chapter 12 Reenacted

May 14, 2002

On May 7, 2002, the President signed into law H.R. 4167 (P.L. 107-170, 116 Stat. 133), retroactively extending chapter 12 of the Bankruptcy Code (which had expired on October 1, 2001) for eight months beginning October 1, 2001, and ending June 1, 2002.

Public Law 107-170 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 September 30, 2001, is hereby reenacted for the period beginning on October 1, 2001, and ending June 1, 2002.
- (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 June 1, 2002. 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 June 1, 2002.

The expiration and retroactive reenactment of chapter 12 do not affect cases that were pending under chapter 12 as of September 30, 2001.

Chapter 12 was originally enacted as an emergency measure in the mid-1980's, and thus had a sunset provision. It has been temporarily extended several times by Congress. Other pending legislation would further extend chapter 12 to through December 31, 2002. Additionally, the pending bankruptcy reform legislation would make chapter 12 a permanent chapter of the Bankruptcy Code. Continue to watch this web page for further developments.

