



LEONIDAS RALPH MECHAM
Director

ADMINISTRATIVE OFFICE OF THE
UNITED STATES COURTS

CLARENCE A. LEE, JR.
Associate Director

WASHINGTON, D.C. 20544

May 14, 2002

MEMORANDUM TO ALL: JUDGES, UNITED STATES BANKRUPTCY COURTS
CLERKS, UNITED STATES BANKRUPTCY COURTS
BANKRUPTCY ADMINISTRATORS

SUBJECT: Reenactment of Chapter 12 of the Bankruptcy Code (**IMPORTANT
INFORMATION**)

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 further amends the Omnibus Consolidated and Emergency Supplemental Appropriations Act of 1999 (P.L. 105-277 (1998)), to read, in part, as follows (emphasis added):

- (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 pending under that chapter of the Bankruptcy Code 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Chapter 12 was originally enacted as an emergency measure in the mid 1980's, and thus had a sunset provision.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 many times by Congress. Other pending legislation would further extend chapter 12 to expire on December 31, 2002. Additionally, the pending bankruptcy reform legislation would make chapter 12 a permanent feature of the Bankruptcy Code. We will continue to apprise you of any further developments.

Should you have any questions about this issue, please contact the Bankruptcy Judges Division at (202) 502-1900 or the Bankruptcy Court Administration Division at (202) 502-1540.

A handwritten signature in black ink, appearing to read "Leonidas Ralph Mecham". The signature is fluid and cursive, with a long horizontal stroke at the end.

Leonidas Ralph Mecham