

Expiration of Chapter 12 of the Bankruptcy Code

Chapter 12 of the Bankruptcy Code expired January 1, 2004.¹ New chapter 12 filings will not be accepted following the sunset date. However, any chapter 12 cases filed before January 1, 2004, and all matters or proceedings related to those cases will be conducted as if chapter 12 did not expire.

Several bills that would affect the status of chapter 12 are pending in Congress. 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 H.R. 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 fishermen to those eligible to file for such relief. The provisions of this Senate bill mirror Section 1001 of the pending bankruptcy reform legislation (H.R. 975).

¹ Section 149(a) 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).