

117TH CONGRESS  
2D SESSION

# S. 4980

To amend title 11, United States Code, to add a bankruptcy chapter relating to the debt of individuals, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28, 2022

Ms. WARREN (for herself and Mr. WHITEHOUSE) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend title 11, United States Code, to add a bankruptcy chapter relating to the debt of individuals, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

### 3   **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Consumer Bankruptcy  
5   Reform Act of 2022”.

### 6   **SEC. 2. TABLE OF CONTENTS.**

7       The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

#### TITLE I—CHAPTER 10 INDIVIDUAL BANKRUPTCY

Sec. 101. Findings and purpose.

- Sec. 102. Chapter 10 individual bankruptcy.
- Sec. 103. Repeal of chapter 13.
- Sec. 104. Other amendments to the Bankruptcy Code.
- Sec. 105. Data collection.
- Sec. 106. Electronic signatures.
- Sec. 107. Judicial education.
- Sec. 108. Conforming amendments to other laws.

## TITLE II—CONSUMER FINANCIAL PROTECTION AMENDMENTS

- Sec. 201. Amendments to the Consumer Financial Protection Act of 2010.
- Sec. 202. Amendments to the Truth in Lending Act.
- Sec. 203. Amendments to the Fair Credit Reporting Act.
- Sec. 204. Amendments to the Equal Credit Opportunity Act.
- Sec. 205. Amendments to the Fair Debt Collection Practices Act.
- Sec. 206. Amendments to the Electronic Fund Transfers Act.

## TITLE III—BANKRUPTCY RULES

- Sec. 301. Rules Enabling Act amendments.
- Sec. 302. Bankruptcy rules amendments.
- Sec. 303. Sense of Congress.

## TITLE IV—FUNDING THE BANKRUPTCY SYSTEM

- Sec. 401. Bankruptcy fees.
- Sec. 402. Trustee compensation.

## TITLE V—MISCELLANEOUS

- Sec. 501. Effective date.
- Sec. 502. Transition.
- Sec. 503. Severability.

# 1                   **TITLE I—CHAPTER 10** 2                   **INDIVIDUAL BANKRUPTCY**

## 3   **SEC. 101. FINDINGS AND PURPOSE.**

4           (a) FINDINGS.—Congress finds that—

5                   (1) individuals and families are often in finan-  
6                   cial distress for reasons outside of their control, such  
7                   as job loss, medical bills, or educational debt, and an  
8                   effective bankruptcy system not only provides those  
9                   individuals and families with a fresh start but also  
10                  ensures that they can participate fully in the United  
11                  States economy;

1           (2) the Bankruptcy Code was adopted in 1978,  
2           and, since then, consumer lending has grown dra-  
3           matically and been transformed by technology and  
4           the preemption of State usury and consumer protec-  
5           tion laws for certain types of lenders;

6           (3) unnecessary paperwork and overly complex  
7           laws increase the cost of bankruptcy and prevent in-  
8           dividuals and families in the United States who need  
9           help from accessing the bankruptcy system;

10          (4) many consumer debtors cannot afford bank-  
11          ruptcy counsel and must instead save up to pay an  
12          attorney to file their bankruptcy petitions;

13          (5) the dual-track bankruptcy system produces  
14          racially disparate outcomes that disadvantage people  
15          of color;

16          (6) student loan debt burdens are creating dis-  
17          tortions in the labor and housing market;

18          (7) the nondischargeability of private student  
19          loan debt has not resulted in lower financing costs  
20          for student loan borrowers;

21          (8) the inability of debtors to restructure home  
22          mortgage loans has led to unnecessary foreclosures  
23          that have created hardships for individuals and fam-  
24          ilies and their communities without reducing costs of  
25          mortgage financing;

1           (9) individuals and families often rely on their  
2           cars to get to work and to get dependents to school  
3           and medical appointments but often cannot retain  
4           their cars in bankruptcy without paying substan-  
5           tially more than the car is worth;

6           (10) the difficulty of enforcing the discharge in-  
7           junction has enabled illegal debt collection activity  
8           that undercuts the fresh start policy of bankruptcy;

9           (11) existing law does not provide a sufficient  
10          deterrent to predatory creditors that harm individ-  
11          uals and families in bankruptcy by violating con-  
12          sumer financial laws or failing to comply with bank-  
13          ruptcy rules; and

14          (12) well-counseled, affluent debtors can avoid  
15          repaying creditors through asset protection planning.

16          (b) PURPOSE.—The purpose of the Act is to establish  
17          a bankruptcy system that helps individuals and families  
18          in the United States regain financial stability and protects  
19          against abusive and predatory behavior by—

20                (1) streamlining the process of filing for bank-  
21                ruptcy, simplifying court procedures in bankruptcy,  
22                and lowering the cost of bankruptcy for both con-  
23                sumers and creditors;

24                (2) creating a single-chapter consumer bank-  
25                ruptcy system that allows consumers greater flexi-

1 bility in addressing their debts and prevents dis-  
2 parate treatment of similarly situated consumers;

3 (3) offering consumers more and better options  
4 to deal with debts, while ensuring the fair treatment  
5 of creditors;

6 (4) making it easier for consumers to pay an  
7 attorney for counsel or representation in a bank-  
8 ruptcy case;

9 (5) simplifying the identification and treatment  
10 of cases by expanding the number of routine cases  
11 that are handled by the court in which there is no  
12 chance of a reasonable payment to creditors and re-  
13 ducing paperwork requirements in those routine  
14 cases;

15 (6) allowing the modification of mortgages on  
16 all residences;

17 (7) allowing the modification of car loans based  
18 on the market value of a car;

19 (8) allowing the discharge of student loan debt  
20 on equal terms with most other types of debt;

21 (9) reducing racial, gender, and other harmful  
22 disparities in the availability, accessibility, costs, and  
23 outcomes with respect to the bankruptcy process;

24 (10) ensuring the fair treatment of claimants  
25 for domestic support obligations;

- 1           (11) reducing abusive creditor behavior; and  
 2           (12) closing bankruptcy loopholes that allow the  
 3           wealthy to exploit the bankruptcy process.

4 **SEC. 102. CHAPTER 10 INDIVIDUAL BANKRUPTCY.**

- 5           (a) IN GENERAL.—Title 11, United States Code, is  
 6 amended by inserting after section 946 the following:

7 **“CHAPTER 10—INDIVIDUAL BANKRUPTCY**

“SUBCHAPTER I—GENERAL PROVISIONS

“Sec.

“1001. Trustee.

“1002. Rights and powers of debtor.

“1003. Debtor engaged in business.

“1004. Possession of property of the estate.

“1005. Conversion or dismissal.

“1006. Treatment of certain contracts and leases.

“1007. Treatment of rental purchase agreements.

“1008. Obtaining credit.

“1009. Stay of action against codebtor.

“1010. Interpretive principle.

“SUBCHAPTER II—PLANS

“1021. Filing of plans.

“1022. Contents of plans.

“1023. Plan confirmation hearing.

“1024. Confirmation of plans.

“1025. Payments under a repayment plan.

“1026. Payments under a residence plan or property plan.

“1027. Protection of lessors and purchase money lenders.

“1028. Effect of confirmation.

“1029. Modification of repayment plan.

“SUBCHAPTER III—DISCHARGE

“1031. Discharge; scope and timing.

“1032. Revocation of discharge or order of confirmation.

“SUBCHAPTER IV—AVOIDANCE ACTIONS

“1041. Treatment of certain liens.

“1042. Limitations on avoidance actions.

“SUBCHAPTER V—LIMITED PROCEEDINGS

“1051. Election of limited proceeding.

“1052. Effect of limited proceeding.

“1053. Dismissal or conversion of limited proceedings.

1       “SUBCHAPTER I—GENERAL PROVISIONS

2   **“§ 1001. Trustee**

3       “(a) APPOINTMENT.—Except as provided by section  
4 1052, in a case under this chapter, the United States  
5 trustee—

6           “(1) shall appoint 1 disinterested individual to  
7       serve as trustee from the panel of private trustees  
8       under section 586(a) of title 28 or a standing trust-  
9       ee under subsection (b) of that section who meets  
10      the requirements of a trustee under section 522 of  
11      this title; or

12           “(2) may serve as trustee.

13      “(b) DUTIES.—The trustee shall—

14           “(1) perform the duties required under para-  
15      graphs (2) through (5) and (7) of section 704;

16           “(2) appear and be heard at any hearing that  
17      concerns—

18           “(A) the value of property subject to a  
19      lien; or

20           “(B) confirmation of a repayment plan, a  
21      residence plan, or a property plan;

22           “(3) advise, other than on legal matters, and  
23      assist the debtor in the formulation of, and perform-  
24      ance under, any plan;

1           “(4) ensure that the debtor commences making  
2           timely payments under section 1025;

3           “(5) in the case of a debtor against whom there  
4           is a claim for a domestic support obligation, provide  
5           the notices required under subsection (d); and

6           “(6) in the case of a debtor engaged in business  
7           as described in section 1003(a), perform the duties  
8           required under paragraphs (3) and (4) of section  
9           1106(a).

10          “(c) PROHIBITIONS.—The trustee may not—

11           “(1) serve as an advocate for debtors or credi-  
12           tors;

13           “(2) advise debtors or creditors on legal mat-  
14           ters; or

15           “(3) raise an objection to a plan filed under  
16           section 1021 solely on the basis of the treatment of  
17           a secured claim under the plan.

18          “(d) DOMESTIC SUPPORT CLAIM NOTICE.—

19           “(1) DEFINITION OF STATE OR LOCAL CHILD  
20           SUPPORT ENFORCEMENT AGENCY.—In this sub-  
21           section, the term ‘State or local child support en-  
22           forcement agency’ means any agency of a State or  
23           political subdivision thereof operating pursuant to a  
24           plan described in section 454 of the Social Security  
25           Act (42 U.S.C. 654) that has been approved by the



1 Secretary of Health and Human Services under part  
2 D of title IV of such Act (42 U.S.C. 651 et seq.).

3 “(2) ADDITIONAL DUTIES.—In the case of a  
4 debtor against whom there is a claim for a domestic  
5 support obligation, the trustee shall—

6 “(A) provide written notice of the claim to  
7 the holder of the domestic support obligation  
8 that includes—

9 “(i) a notice of the right of the holder  
10 to use the services of a State or local child  
11 support enforcement agency for assistance  
12 in collecting child support during and after  
13 the case; and

14 “(ii) the address and telephone num-  
15 ber of the State or local child support en-  
16 forcement agency of the State or political  
17 subdivision thereof in which the holder re-  
18 sides;

19 “(B) provide written notice of the claim to  
20 the State or local child support enforcement  
21 agency of the State or political subdivision  
22 thereof in which the holder resides that includes  
23 the name, address, and telephone number of the  
24 holder of the domestic support obligation; and

1           “(C) on the date on which the debtor is  
 2           granted a discharge under section 1031, provide  
 3           written notice to the holder of the domestic sup-  
 4           port obligation and the State or local child sup-  
 5           port enforcement agency of the State or polit-  
 6           ical subdivision thereof in which the holder re-  
 7           sides of—

8                   “(i) the granting of the discharge;

9                   “(ii) the most recent known address  
 10                  of the debtor;

11                  “(iii) the most recent known name  
 12                  and address of the most recent known em-  
 13                  ployer of the debtor; and

14                  “(iv) the name of each creditor that  
 15                  holds a claim that is not discharged under  
 16                  paragraph (2) or (4) of section 523(a).

17           “(3) ADDRESS REQUEST.—

18                  “(A) IN GENERAL.—The holder of a claim  
 19                  for domestic support against the debtor or a  
 20                  State or local child support enforcement agency  
 21                  of the State or political subdivision thereof in  
 22                  which the holder resides may request from a  
 23                  creditor described in paragraph (2)(C)(iv) the  
 24                  most recent known address of the debtor.

1           “(B) NO LIABILITY.—Notwithstanding any  
2           other provision of law, a creditor that makes a  
3           disclosure in connection with a request made  
4           under subparagraph (A) shall not be liable for  
5           making the disclosure.

6   **“§ 1002. Rights and powers of debtor**

7           “(a) IN GENERAL.—Subject to any limitations of a  
8           trustee under this chapter, the debtor shall have, exclusive  
9           of the trustee, the rights and powers of a trustee under—  
10           “(1) subsections (b), (c), (d), (f), and (l) of sec-  
11           tion 363; and

12           “(2) section 364.

13           “(b) AVOIDANCE OF TRANSFERS.—The debtor may  
14           avoid a transfer of property of the debtor or recover a  
15           setoff if—

16           “(1)(A) the transfer is avoidable by the trustee  
17           under section 544, 545, 547, 548, 549, or 1041 or  
18           recoverable by the trustee under section 553; and

19           “(B) the trustee does not attempt to avoid the  
20           transfer; or

21           “(2) section 1042 prohibits the trustee from  
22           avoiding the transfer.

23   **“§ 1003. Debtor engaged in business**

24           “(a) IN GENERAL.—For the purposes of this chapter,  
25           a debtor is engaged in business if the debtor is—

1 “(1) self-employed; and

2 “(2) required to withhold taxes under section  
3 3402 of the Internal Revenue Code of 1986.

4 “(b) RIGHTS.—Unless the court orders otherwise, a  
5 debtor engaged in business may operate the business of  
6 the debtor and, subject to any limitations on a trustee  
7 under sections 363(c) and 364 and to such limitations or  
8 conditions as the court prescribes, shall have, exclusive of  
9 the trustee, the rights and powers of the trustee under  
10 such sections.

11 “(c) DUTIES.—A debtor engaged in business—

12 “(1) shall perform the duties of the trustee re-  
13 quired under section 704(7); and

14 “(2) is not subject to the provisions of section  
15 308.

16 **“§ 1004. Possession of property of the estate**

17 “The debtor shall remain in possession of all property  
18 of the estate, unless—

19 “(1) a confirmed plan or an order confirming a  
20 plan provides otherwise; or

21 “(2) the court, for cause, orders otherwise.

22 **“§ 1005. Conversion or dismissal**

23 “(a) CONVERSION ON REQUEST OF DEBTOR.—At  
24 any time, the debtor may convert a case under this chapter  
25 to a case under—

1           “(1) chapter 11, if the debtor is eligible under  
2           section 109(e); or

3           “(2) chapter 12, if the debtor is eligible under  
4           section 109(f).

5           “(b) CONVERSION OR DISMISSAL ON REQUEST OF  
6 OTHER PARTIES.—After notice and a hearing, the court,  
7 on its own motion, or on a motion by a creditor, the  
8 United States trustee, the trustee, or any other party in  
9 interest, may, for cause, dismiss a case under this chapter  
10 or, with the consent of the debtor, convert a case under  
11 this chapter to a case under chapter 11 or 12, including—

12           “(1) unreasonable delay by the debtor that is  
13           prejudicial to creditors;

14           “(2) nonpayment of any fees or costs required  
15           under section 1930 of title 28;

16           “(3) failure to timely file a plan under section  
17           1021, unless the debtor is eligible for a discharge  
18           without a plan under section 1031;

19           “(4) failure to commence making timely pay-  
20           ments required under section 1025 if the debtor files  
21           a repayment plan;

22           “(5) denial of confirmation of a plan under sec-  
23           tion 1024 and denial of a request for additional time  
24           for filing another plan;

1 “(6) except as provided by section 1052(8), and  
2 only on request of the United States trustee, failure  
3 of the debtor in a voluntary case to file, not later  
4 than 14 days after the date of the commencement of  
5 the case, or additional time as the court may allow,  
6 the information required under section 521(a)(1);  
7 and

8 “(7) failure to file a repayment plan, if re-  
9 quired, by the deadline prescribed under section  
10 1021(e).

11 “(c) DISMISSAL.—

12 “(1) DISMISSAL FOR MANIFESTLY IMPROPER  
13 USE OF THE BANKRUPTCY SYSTEM.—

14 “(A) IN GENERAL.—Notwithstanding sub-  
15 section (b), after notice and a hearing, the  
16 court, on its own motion or on a motion by the  
17 United States trustee or the trustee, may dis-  
18 miss a case on grounds that the granting of re-  
19 lief would be a manifestly improper use of the  
20 bankruptcy system.

21 “(B) MANIFESTLY IMPROPER USE OF THE  
22 BANKRUPTCY SYSTEM.—For the purpose of  
23 subparagraph (A), the failure of a debtor to pay  
24 an amount that is greater than the minimum  
25 payment obligation under a repayment plan

1 alone does not constitute a manifestly improper  
2 use of the bankruptcy system.

3 “(2) DISMISSAL AT REQUEST OF DEBTOR.—

4 “(A) IN GENERAL.—With respect to a case  
5 that has not been converted under subsection  
6 (a)—

7 “(i) at the request of the debtor be-  
8 fore any plan is confirmed under section  
9 1024, the court shall dismiss the case; and

10 “(ii) at the request of the debtor after  
11 any plan is confirmed under section 1024,  
12 the court shall dismiss the case, unless the  
13 United States trustee or the trustee estab-  
14 lishes that dismissal would not be in the  
15 best interest of creditors.

16 “(B) WAIVER UNENFORCEABLE.—A waiv-  
17 er of the right to dismiss a case under this sec-  
18 tion shall be unenforceable.

19 “(C) NO DISCHARGE.—In any case dis-  
20 missed under this paragraph—

21 “(i) the court shall not issue a dis-  
22 charge; and

23 “(ii) any discharge previously issued  
24 is revoked.

1 **“§ 1006. Treatment of certain contracts and leases**

2 “Notwithstanding a provision in any contract or un-  
 3 expired lease, or in applicable law, with respect to any con-  
 4 tract or unexpired lease of the debtor, the contract or lease  
 5 and any right or obligation under the contract or lease  
 6 may not be terminated or modified, and neither the debtor  
 7 nor any individual liable on such contract or unexpired  
 8 lease with the debtor may be declared in default under  
 9 the contract or lease at any time during or after the case,  
 10 solely because of a provision in the contract or lease that  
 11 is conditioned on—

12 “(1) the insolvency or financial condition of the  
 13 debtor at any time before the closing of the case;

14 “(2) the commencement of a case under this  
 15 title;

16 “(3) the appointment of, or taking possession  
 17 by—

18 “(A) a trustee in a case under this title; or

19 “(B) a custodian before the commence-  
 20 ment of a case under this title; or

21 “(4) the filing of a plan or the exercise of any  
 22 other right under this title.

23 **“§ 1007. Treatment of rental purchase agreements**

24 “(a) DEFINITION OF RENTAL-PURCHASE AGREE-  
 25 MENT.—In this section, the term ‘rental-purchase agree-  
 26 ment’ means an agreement, irrespective of form—



1           “(1) for the use of personal property, other  
2           than a vehicle, by the debtor for personal, family, or  
3           household purposes;

4           “(2) that is renewable with each payment; and

5           “(3) that permits, but does not obligate, the  
6           debtor to become the owner of the property that is  
7           the subject of the agreement.

8           “(b) NO INTEREST IN PROPERTY.—For the purpose  
9           of this chapter and notwithstanding applicable nonbank-  
10          ruptcy law, the lessor on a rental-purchase agreement does  
11          not have an interest in the property covered by the rental-  
12          purchase agreement.

13          “(c) ELECTION TO RETAIN PROPERTY.—Notwith-  
14          standing section 365, in a case under this chapter, the  
15          debtor may elect to retain the property covered by a rent-  
16          al-purchase agreement.

17          “(d) CLAIMS OF LESSOR-SELLER.—Notwithstanding  
18          sections 365 and 503 and subject to section 502, if the  
19          debtor elects to retain the property covered by a rental-  
20          purchase agreement, the liability of the debtor to a lessor-  
21          seller under the rental-purchase agreement shall—

22                 “(1) be treated as if the liability arose imme-  
23                 diately before the date of the filing of the petition;

24                 “(2) not be treated as an administrative ex-  
25                 pense; and

1 “(3) be limited to the sum of—

2 “(A) accrued and unpaid rent under the  
3 rental-purchase agreement; and

4 “(B) future rent and other payments due  
5 under the rental-purchase agreement.

6 “(e) TERMINATION.—Nothing in this section shall be  
7 construed to prohibit the debtor from terminating a rent-  
8 al-purchase agreement.

9 “(f) POST-DISCHARGE EXERCISE OF LESSOR-SELL-  
10 ER’S RIGHTS PROHIBITED.—Any attempt to exercise the  
11 rights of a lessor-seller under a rental-purchase agreement  
12 or applicable nonbankruptcy law after the issuance of a  
13 discharge under section 1028 shall be deemed to be a vio-  
14 lation of section 524(a).

15 **“§ 1008. Obtaining credit**

16 “(a) DEFINITION OF CREDIT.—In this section, the  
17 term ‘credit’ has the meaning given the term in section  
18 103 of the Truth in Lending Act (15 U.S.C. 1602).

19 “(b) OBTAINING CREDIT.—

20 “(1) IN GENERAL.—The debtor in a case under  
21 this chapter may not obtain credit outside the ordi-  
22 nary course of the affairs of the debtor without prior  
23 authorization by the court.

24 “(2) COURT APPROVAL.—After notice and a  
25 hearing, the court shall authorize the debtor to ob-

tain credit under paragraph (1) or incur debt only if it is in the best interests of the debtor.

“(3) VOIDING OF OTHER POST-PETITION CREDIT INCURRED.—Any credit obtained or debt incurred by a debtor not in accordance with this subsection is void.

“(4) CREDIT RATE LIMIT.—In no event may the court authorize the debtor to obtain credit with an annual percentage rate that exceeds the annual percentage rate described in section 987(b) of title 10.

“(5) COMPLIANCE WITH NONBANKRUPTCY LAW.—Credit obtained by a debtor pursuant to this section shall comply with applicable nonbankruptcy law.

“(c) APPLICATION OF SECTION.—This section shall apply to credit obtained by a debtor until the date on which the case is closed under section 350.

**“§ 1009. Stay of action against codebtor**

“(a) COLLECTION OF DEBT.—Except as provided in subsections (b) and (c) of this section, after the entry of the order for relief under this chapter, a creditor may not act or commence or continue any civil action to collect all or any part of a consumer debt of the debtor from any

1 individual that is liable on the consumer debt with the  
2 debtor or that secured the consumer debt, unless—

3 “(1) the individual became liable on, or secured,  
4 the consumer debt in the ordinary course of business  
5 of the individual; or

6 “(2) the case is closed, dismissed, or converted  
7 to a case under chapter 11 or 12 of this title.

8 “(b) NEGOTIABLE INSTRUMENTS.—A creditor may  
9 present a negotiable instrument, and may give notice of  
10 dishonor of such an instrument.

11 “(c) RELIEF FROM STAY.—On request of a party in  
12 interest and after notice and a hearing, the court shall  
13 grant relief from the stay provided under subsection (a)  
14 with respect to a creditor, to the extent that—

15 “(1) as between the debtor and the individual  
16 protected under subsection (a), the individual re-  
17 ceived consideration for the claim held by the cred-  
18 itor;

19 “(2) the plan filed by the debtor does not pro-  
20 pose to pay the claim; or

21 “(3) the interest of the creditor would be irrep-  
22 arably harmed by a continuation of the stay.

23 “(d) TERMINATION OF STAY.—On the date that is  
24 20 days after the date on which a party in interest files  
25 a request under subsection (c) for relief from the stay pro-

1 vided under subsection (a), the stay shall be terminated  
 2 with respect to the party in interest, unless the debtor or  
 3 any individual that is liable on the consumer debt with  
 4 the debtor files and serves upon the party in interest a  
 5 written objection to the proposed relief from the stay.

6 **“§ 1010. Interpretive principle**

7 “In cases in under this chapter, the provisions of this  
 8 title shall be interpreted liberally in favor of relief for con-  
 9 sumer debtors.

10 “SUBCHAPTER II—PLANS

11 **“§ 1021. Filing of plans**

12 “(a) IN GENERAL.—Except as provided in subsection  
 13 (c), the debtor may file—

14 “(1) a repayment plan that solely provides for  
 15 the treatment of unsecured claims;

16 “(2) a residence plan that solely provides for  
 17 the treatment of claims secured by the debtor’s prin-  
 18 cipal residence; or

19 “(3) a property plan that solely provides for the  
 20 treatment of claims secured by property that is not  
 21 the debtor’s principal residence.

22 “(b) DEBTORS WITH NO MINIMUM PAYMENT OBLI-  
 23 GATION.—

24 “(1) IN GENERAL.—A debtor that has a min-  
 25 imum payment obligation of \$0 shall receive a dis-

1 charge under section 1031 without filing a plan if  
 2 the debtor is otherwise eligible to receive a discharge  
 3 under this chapter.

4 “(2) OPTIONAL PLANS.—A debtor that has no  
 5 minimum payment obligation may elect to file 1 or  
 6 more plans under subsection (a).

7 “(c) MULTIPLE PLANS.—

8 “(1) IN GENERAL.—

9 “(A) MORE THAN 1 PLAN.—Subject to  
 10 subparagraph (B), the debtor may file 1 or  
 11 more plans.

12 “(B) PROHIBITION.—If the court confirms  
 13 a repayment plan of a debtor, the debtor may  
 14 not file an additional repayment plan in a case  
 15 under this chapter.

16 “(2) SEPARATE TREATMENT.—Except as pro-  
 17 vided in section 1023(a), each plan shall be treated  
 18 separately for purposes of confirmation, discharge,  
 19 and revocation of an order of confirmation or dis-  
 20 charge.

21 “(d) INVOLUNTARY CASES.—In a case commenced  
 22 under section 303—

23 “(1) a petitioning creditor may file only a re-  
 24 payment plan under which the minimum payment  
 25 obligation of the debtor shall be calculated to ex-

1       clude any amounts required by clause (ii) or (iii) of  
2       section 101(54)(B);

3           “(2) the debtor may file a repayment plan,  
4       which shall supersede any repayment plan filed  
5       under paragraph (1); and

6           “(3) if more than 1 petitioning creditor files a  
7       repayment plan under paragraph (1) and the debtor  
8       does not file a repayment plan under paragraph (2),  
9       the court shall confirm the repayment plan that is  
10      in the best interest of creditors.

11      “(e) FILING DEADLINE.—The debtor shall promptly  
12     file a plan within such period of time as permitted in a  
13     rule prescribed the Judicial Conference of the United  
14     States, except that the court may extend such time period  
15     for cause.

16     **“§ 1022. Contents of plans**

17      “(a) REPAYMENT PLANS.—

18           “(1) IN GENERAL.—A repayment plan—

19               “(A) shall provide that—

20                   “(i) the debtor shall satisfy the min-  
21                   imum payment obligation by—

22                       “(I) making deferred cash pay-  
23                       ments; or

24                       “(II) upon request of the trustee,  
25                   and subject to paragraph (2), ten-

1           dering to the trustee all property of  
2           the estate that is not exempt under  
3           section 522 not later than 30 days  
4           after the date on which the court con-  
5           firms the plan, unless the court orders  
6           a later date;

7           “(ii) any payments under the repay-  
8           ment plan occur during a period not to ex-  
9           ceed 36 months from the date on which  
10          the first payment is due under a repay-  
11          ment plan under section 1025(b)(1); and

12          “(iii) any payment under a repayment  
13          plan, other than the final payment, shall  
14          be in an amount that is not less than the  
15          payments required for 36 equal monthly  
16          installments, unless the court orders other-  
17          wise for cause, which may include the ir-  
18          regular or seasonal nature of the debtor’s  
19          income; and

20          “(B) may—

21                  “(i) pursuant to section 365, provide  
22                  for the assumption, rejection, or assign-  
23                  ment of any executory contract or unex-  
24                  pired lease of the debtor that has not pre-



1 viously been assumed or rejected under  
2 that section;

3 “(ii) provide for the payment in full,  
4 in deferred cash payments, over the dura-  
5 tion of the repayment plan, of any claim  
6 based on a debt of a kind described in sec-  
7 tion 523 if the plan also provides for the  
8 payment in full, in deferred cash pay-  
9 ments, of all claims entitled to priority  
10 under section 507, other than the claim of  
11 a holder that is based on a debt described  
12 in section 507 that agrees to a different  
13 treatment of that claim;

14 “(iii) provide for the exercise of any  
15 other power of the debtor or the trustee  
16 under this title;

17 “(iv) provide for an order garnishing  
18 the earnings of the debtor or ordering the  
19 authorization of electronic fund transfers  
20 from a deposit account of the debtor dur-  
21 ing the duration of the repayment plan;  
22 and

23 “(v) include any other appropriate  
24 provision not inconsistent with this title.

25 “(2) REQUEST FOR TENDER BY TRUSTEE.—

1           “(A) IN GENERAL.—The trustee shall re-  
 2           quest the tender of property of the estate that  
 3           is not exempt under section 522 only if the liq-  
 4           uidation of such property would be reasonably  
 5           likely to produce a meaningful distribution to  
 6           creditors.

7           “(B) INSTALLMENT REDEMPTION AS AN  
 8           ALTERNATIVE TO TENDER.—In lieu of ten-  
 9           dering nonexempt property of the estate under  
 10          paragraph (1)(A)(i)(II), the debtor may elect to  
 11          pay to the trustee under the repayment plan an  
 12          amount equal to the value of the interest of the  
 13          debtor in such property that is in excess of the  
 14          sum of—

15               “(i) any allowed secured claims that  
 16               are secured by that property; and

17               “(ii) any exemption applicable under  
 18               section 522(b).

19          “(C) EXECUTION OF DOCUMENTS TO PER-  
 20          FECT OR RECORD SECURITY INTEREST.—To  
 21          satisfy the debtor’s obligation under paragraph  
 22          (1)(A)(i)(II) and under this paragraph, the plan  
 23          must provide that the debtor will execute any  
 24          documents and cooperate with the trustee as

1           necessary to perfect or record the security inter-  
2           est created by section 1028(i).

3           “(b) RESIDENCE PLANS.—A residence plan may—

4               “(1) modify or leave unaffected the rights of a  
5           holder of a claim secured by the debtor’s principal  
6           residence;

7               “(2) provide for the waiving or curing within a  
8           reasonable time of any default on any claim secured  
9           by the debtor’s principal residence in accordance  
10          with subsection (d);

11               “(3) provide for payment of any allowed se-  
12          cured claim secured by the debtor’s principal resi-  
13          dence;

14               “(4) authorize the debtor to sell any property  
15          that is the debtor’s principal residence free and clear  
16          of any liens not earlier than 60 days and not later  
17          than 180 days after the date of confirmation if the  
18          plan provides that—

19                   “(A) the debtor shall tender the property  
20                  that is the debtor’s principal residence to the  
21                  holder of the first-priority lien, subject to a lien  
22                  secured by any allowed secured claim of a jun-  
23                  ior lienholder;

24                   “(B) upon acceptance of the tender de-  
25                  scribed in subparagraph (A), the debtor shall

1 transfer the debtor's principal residence to the  
2 holder of the first-priority lien not later than 14  
3 days after acceptance of the tender; and

4 “(C) if there is not a timely acceptance of  
5 the tender of the principal residence—

6 “(i) a sale free and clear of liens of  
7 the debtor's principal residence shall be  
8 conducted in a commercially reasonable  
9 manner; and

10 “(ii) after deducting the costs of the  
11 sale, any liens against the debtor's prin-  
12 cipal residence shall attach to the proceeds  
13 of the sale;

14 “(5) provide for an order garnishing the earn-  
15 ings of the debtor or authorizing electronic fund  
16 transfers from a deposit account of the debtor dur-  
17 ing the duration of the residence plan, but only to  
18 the extent necessary to cure any default on a claim  
19 secured by the debtor's principal residence in accord-  
20 ance with subsection (d); and

21 “(6) include any other appropriate provision not  
22 inconsistent with this title.

23 “(c) PROPERTY PLANS.—A property plan may—

1           “(1) modify or leave unaffected the rights of  
2 holders of claims secured by the property, other than  
3 property that is the debtor’s principal residence;

4           “(2) provide for the curing or waiving within a  
5 reasonable time of any default on any claim secured  
6 by the property of the debtor that is not the debtor’s  
7 principal residence in accordance with subsection  
8 (d)(2);

9           “(3) provide for payment of any allowed se-  
10 cured claim secured by the property of the debtor  
11 that is not the debtor’s principal residence;

12           “(4) subject to section 522(e), treat as the  
13 holder of a secured claim—

14           “(A) the seller or assignee of an install-  
15 ment sales contract for personal property or the  
16 equivalent of such a contract;

17           “(B) the lessor of a lease of personal prop-  
18 erty, the term of which extends beyond the re-  
19 maining economic life of the property; or

20           “(C) a party to an agreement, irrespective  
21 of form, that is a security interest in personal  
22 property under applicable nonbankruptcy law;

23           “(5) provide for an order garnishing the earn-  
24 ings of the debtor or ordering the authorization of  
25 electronic fund transfers from a deposit account of

1 the debtor during the duration of the property plan;  
2 and

3 “(6) include any other appropriate provision not  
4 inconsistent with this title.

5 “(d) CURE OF DEFAULT.—

6 “(1) PRINCIPAL RESIDENCE.—Notwithstanding  
7 any applicable nonbankruptcy law, a default with re-  
8 spect to, or that gives rise to, a lien on the property  
9 that is the debtor’s principal residence may be cured  
10 by a residence plan under subsection (a)(2)(B) until  
11 the debtor ceases to have rights, including a right of  
12 redemption, in the property.

13 “(2) AMOUNT TO CURE.—

14 “(A) IN GENERAL.—Notwithstanding sec-  
15 tion 506(b), if a repayment plan, a residence  
16 plan, or a property plan provides for the curing  
17 of a default, the amount necessary to cure the  
18 default shall be determined in accordance with  
19 the underlying agreement and applicable non-  
20 bankruptcy law.

21 “(B) PROHIBITION.—The cure of a default  
22 under subparagraph (A) may not require—

23 “(i) interest on arrearages; or

1                   “(ii) the payment of any penalty rate,  
2                   late fee, or payment required under a pen-  
3                   alty provision or a similar provision.

4   **“§ 1023. Plan confirmation hearing**

5           “(a) IN GENERAL.—If the trustee, the United States  
6 trustee, or a creditor objects to confirmation of a plan filed  
7 under section 1021, the court shall hold a hearing on con-  
8 firmation of the plan within such period of time as per-  
9 mitted in a rule prescribed the Judicial Conference of the  
10 United States, except that the court may extend such time  
11 period for cause.

12          “(b) CONFIRMATION WITHOUT HEARING.—If no ob-  
13 jection is raised, the court shall, upon notice, promptly  
14 confirm a plan that complies with section 1024(a) without  
15 a hearing.

16          “(c) MULTIPLE PLANS.—If the debtor files more  
17 than 1 plan under section 1021, the court shall hold a  
18 single hearing on confirmation on all of the plans, un-  
19 less—

20               “(1) the court orders otherwise for cause; or

21               “(2) no hearing is required under subsection

22               (b).

1 **“§ 1024. Confirmation of plans**

2 “(a) PLAN REQUIREMENTS.—Subject to subsections  
3 (b) through (d), the court shall confirm a plan under this  
4 section if all of the following requirements are met:

5 “(1) The plan complies with the applicable pro-  
6 visions of this title, other than section 1022(a)(1).

7 “(2) Any fee, charge, or amount that is re-  
8 quired to be paid before confirmation under chapter  
9 123 of title 28 or the plan has been paid.

10 “(3) The plan has not been proposed—

11 “(A) in bad faith, which may not be dem-  
12 onstrated solely by the amount of payments  
13 proposed by the debtor under a repayment plan;  
14 or

15 “(B) by any means forbidden by law.

16 “(4) The debtor is likely to be able to make all  
17 payments under the plan and to comply with the  
18 plan.

19 “(5) In the case of a debtor that is required by  
20 a judicial or administrative order or by a statute to  
21 pay a domestic support obligation, the debtor has  
22 paid all amounts required by such domestic support  
23 obligation that first became payable after the date of  
24 the filing of the petition.

25 “(b) OBJECTION TO REPAYMENT PLAN.—



1           “(1) IN GENERAL.—Subject to paragraph (2),  
2           if the trustee or the holder of an allowed unsecured  
3           claim objects to a repayment plan that complies with  
4           subsection (a), the court shall confirm the repay-  
5           ment plan only if the plan satisfies the requirements  
6           of section 1022(a)(1).

7           “(2) REDUCED MINIMUM PAYMENT OBLIGA-  
8           TION.—If the court finds that the debtor is unable  
9           to pay the full minimum payment obligation due to  
10          reasonably necessary expenses, including medical ex-  
11          penses, child care expenses, high local housing costs,  
12          special education needs, expenses for the care of an  
13          elderly, chronically ill, or disabled household member  
14          or member of the debtor’s family, child or spousal  
15          support, or business or employment-related expenses,  
16          the court shall confirm a plan with an appropriately  
17          reduced minimum payment obligation that reflects  
18          the debtor’s ability to repay.

19          “(c) OBJECTION TO RESIDENCE PLAN.—If the hold-  
20          er of an allowed secured claim secured by the debtor’s  
21          principal residence objects to the confirmation of a resi-  
22          dence plan, the court shall confirm the residence plan only  
23          if, for any such allowed secured claim of which the holder  
24          has objected to the confirmation, the residence plan pro-  
25          vides that—

1           “(1) the holder retains the lien securing the  
2       claim;

3           “(2) the value, as of the effective date of the  
4       residence plan, of the payments to be distributed  
5       under the residence plan on account of the claim is  
6       not less than the allowed amount of the secured  
7       claim;

8           “(3) payments on all claims under the residence  
9       plan are in equal monthly amounts, other than pay-  
10      ments to cure a default under section  
11      1022(a)(2)(B);

12          “(4) except as provided in paragraph (5), de-  
13      fault under the residence plan constitutes default  
14      under any security agreement that creates a security  
15      interest in the debtor’s principal residence;

16          “(5) the debtor will be in default for a late pay-  
17      ment under the plan and any security agreement  
18      that creates a security interest in the debtor’s prin-  
19      cipal residence only if the debtor is more than 120-  
20      days delinquent on any payment under the residence  
21      plan;

22          “(6) the holders of any judicial lien or statutory  
23      lien created before the order for relief cannot exer-  
24      cise any remedies under applicable nonbankruptcy

1 law, unless the debtor is 120-days delinquent on any  
2 payment under the residence plan;

3 “(7) the last payment on account of the secured  
4 claim is due on a date that is not later than the  
5 later of—

6 “(A) 15 years after the date of confirma-  
7 tion of the residence plan; or

8 “(B) 5 years after the original maturity  
9 date of the loan relating to the claim; and

10 “(8) the debt secured by the debtor’s principal  
11 residence that is dealt with by the residence plan has  
12 not been previously provided for by a residence plan  
13 that was—

14 “(A) confirmed on a date that is not more  
15 than 6 years before the date of the filing of the  
16 petition; and

17 “(B) completed.

18 “(d) OBJECTION TO PROPERTY PLAN.—If the holder  
19 of an allowed secured claim that is secured by property  
20 that is not the debtor’s principal residence objects to the  
21 confirmation of a property plan, the court shall confirm  
22 the property plan only if—

23 “(1) the property plan provides that—

24 “(A) the holder of the claim retains the  
25 lien securing the allowed secured claim;

1           “(B) the value, as of the effective date of  
2           the property plan, of the property to be distrib-  
3           uted under the property plan on account of the  
4           claim is not less than the amount of the allowed  
5           secured claim, unless—

6                   “(i) the property securing the claim is  
7                   a motor vehicle that was acquired by the  
8                   debtor within the 90-day period imme-  
9                   diately preceding the date of the filing of  
10                  the petition; and

11                  “(ii) the lien securing the claim is a  
12                  purchase-money security interest;

13           “(C) the value, as of the effective date of  
14           the property plan, of property to be distributed  
15           on account of a claim described in clauses (i)  
16           through (iii) of subparagraph (B) is not less  
17           than the allowed amount of the claim, as cal-  
18           culated under section 502;

19           “(D) payments on all claims under the  
20           property plan are in equal monthly amounts;

21           “(E) except as provided in subparagraph  
22           (F), default under the property plan constitutes  
23           default under any security agreement that cre-  
24           ates a security interest in the property subject  
25           to the property plan;

1           “(F) the debtor is in default for a late pay-  
2           ment under the plan and any security agree-  
3           ment that creates a security interest in the  
4           property subject to the property plan only if the  
5           debtor is not less than 90 days delinquent on  
6           payment to the holder of the security interest  
7           under the property plan;

8           “(G) the property plan provides that the  
9           holder of a judicial lien or statutory lien created  
10          before the date of the order for relief cannot ex-  
11          ercise any remedies relating to the judicial lien  
12          or statutory lien under applicable nonbank-  
13          ruptcy law, unless the debtor is not less than 90  
14          days delinquent on any payment to the  
15          lienholder under the property plan;

16          “(H) the last payment due under the prop-  
17          erty plan is due on a date that is not later than  
18          the later of—

19                 “(i) 5 years after the date of con-  
20                 firmation of the property plan; or

21                 “(ii) the original maturity date of  
22                 loan; and

23          “(I) the debt secured by the property that  
24          is dealt with by the property plan has not been

1 previously provided for by a property plan that  
2 was—

3 “(i) confirmed on a date that is not  
4 more than 6 years before the date of the  
5 filing of the petition; and

6 “(ii) completed;

7 “(2) if the property securing the claim of the  
8 objecting holder is a motor vehicle—

9 “(A) the debtor has provided the holder of  
10 any security interest in the motor vehicle with  
11 reasonable evidence of the maintenance of any  
12 required insurance coverage on the motor vehi-  
13 cle securing the claim sufficient to protect the  
14 interest of the holder in the motor vehicle; and

15 “(B) the motor vehicle is—

16 “(i) used regularly as a means of  
17 transportation for the debtor or a depend-  
18 ent of the debtor; or

19 “(ii) used by the debtor or a depend-  
20 ent of the debtor in business; and

21 “(3) if the property securing the claim of the  
22 objecting holder is not a motor vehicle—

23 “(A) the property is reasonably necessary  
24 for the support or maintenance of the debtor or  
25 a dependent of the debtor; or

1           “(B) the property is reasonably necessary  
2           for the continuation, preservation, and oper-  
3           ation of a business owned or operated by the  
4           debtor or a dependent of the debtor.

5           “(e) IMPAIRMENT.—

6           “(1) IN GENERAL.—The holder of an allowed  
7           secured claim that is not impaired under a plan may  
8           not object to a residence plan under subsection (c)  
9           or a property plan under subsection (d).

10          “(2) DETERMINATION.—For the purpose of  
11          this subsection, impairment shall be determined  
12          under section 1124.

13          “(f) DENIAL OF MOTION.—

14          “(1) IN GENERAL.—A denial of a motion to  
15          confirm a plan shall constitute a final, appealable  
16          order.

17          “(2) PLAN MODIFICATION.—Nothing in this  
18          section shall be construed to prevent a debtor from  
19          proposing to modify a plan that has been denied  
20          confirmation.

21          “(g) MULTIPLE PLANS.—If the debtor has filed mul-  
22          tiple plans, any party in interest may request that the con-  
23          firmation of any plan be stayed until the date on which  
24          the court confirms or denies any other plan.

1       “(h) INTEREST RATE.—The rate of interest that  
 2 shall be used to calculate the value of property distributed  
 3 under a plan, as of the effective date of the plan, shall  
 4 be—

5               “(1) for the purpose of subsection (c)(2)—

6                       “(A) in the case of a first priority lien, the  
 7 current average prime offer rate (as defined in  
 8 section 1026.35(a)(2) of title 12, Code of Fed-  
 9 eral Regulations) for a loan of the most similar  
 10 duration and rate type; and

11                      “(B) in the case of any other lien, a rate  
 12 that is 300 basis points greater than the cur-  
 13 rent average prime offer rate (as defined in sec-  
 14 tion 1026.35(a)(2) of title 12, Code of Federal  
 15 Regulations) for a loan of the most similar du-  
 16 ration and rate type; and

17               “(2) for the purpose of subsection (d)(2), the  
 18 current average prime offer rate for motor vehicle fi-  
 19 nancing of the most similar duration and rate type,  
 20 as determined by the Bureau of Consumer Financial  
 21 Protection under section 201(e) of the Consumer  
 22 Bankruptcy Reform Act of 2020.

23   **“§ 1025. Payments under a repayment plan**

24       “(a) DUTIES OF TRUSTEE.—The trustee shall—



1           “(1) collect and be accountable for any future  
2 income of the debtor that is designated for a pay-  
3 ment to a creditor under a repayment plan;

4           “(2) accept and be accountable for any property  
5 of the estate tendered by the debtor pursuant to a  
6 repayment plan under section 1022(a)(1)(A)(i)(II);  
7 and

8           “(3) reduce to money and be accountable for  
9 any property of the estate tendered by the debtor  
10 under the repayment plan as expeditiously as is com-  
11 patible with the best interests of the parties in inter-  
12 est.

13       “(b) PAYMENTS.—

14           “(1) IN GENERAL.—Except as provided by sec-  
15 tion 1027 and unless the court orders otherwise, not  
16 later than 30 days after the date of the order for re-  
17 lief under this chapter, the debtor shall—

18           “(A) commence making payments in the  
19 amount proposed to be made under a repay-  
20 ment plan; and

21           “(B) tender to the trustee any relevant  
22 property of the estate requested by the trustee  
23 under section 1022(a)(1)(A)(i)(II), unless the  
24 debtor has elected under section 1022(a)(2)(B)

1 to pay the trustee for the value of such prop-  
2 erty under a repayment plan.

3 “(2) ACTION BY TRUSTEE.—

4 “(A) RETENTION OF PAYMENTS PENDING  
5 PLAN CONFIRMATION.—The trustee shall retain  
6 a payment made under paragraph (1) until the  
7 date on which the repayment plan is confirmed  
8 or denied under section 1024.

9 “(B) DISTRIBUTION OF PAYMENTS.—If a  
10 repayment plan is confirmed under section  
11 1024, the trustee shall distribute any payments  
12 retained under subparagraph (A) in accordance  
13 with the repayment plan as soon as is prac-  
14 ticable.

15 “(C) RETURN OF PAYMENTS.—The trust-  
16 ee, after deducting the sum of each allowed ad-  
17 ministrative expense under section 503(b), shall  
18 return to the debtor any payments retained  
19 under paragraph (1) if the case is dismissed or  
20 converted.

21 “(3) MODIFICATION.—Subject to section 363,  
22 pending confirmation of a repayment plan, the  
23 court, after notice and a hearing, may for cause  
24 modify, increase, or reduce the payments required  
25 under this subsection.

1 “(c) PAYMENTS TO CREDITORS.—

2 “(1) IN GENERAL.—Except as otherwise pro-  
3 vided in the repayment plan or in the order con-  
4 firming the repayment plan, after confirmation of  
5 the plan, the trustee shall make payments to credi-  
6 tors under the repayment plan.

7 “(2) PROHIBITION.—Except as provided in sub-  
8 section (d), the trustee may not make a payment de-  
9 scribed in section 1022(a)(1)(B)(ii) under a repay-  
10 ment plan until the date on which the trustee makes  
11 every payment on all claims entitled to priority  
12 under section 507, other than a claim that is based  
13 on a debt described in section 507, the holder of  
14 which agrees to a different treatment of such claim.

15 “(d) PRIORITY OF PAYMENTS.—

16 “(1) IN GENERAL.—Subject to paragraphs (2)  
17 and (3), all payments made by the trustee under this  
18 section shall be disbursed according to the order of  
19 priority in section 726.

20 “(2) ADMINISTRATIVE EXPENSES AND FEES.—  
21 Before or at the time of each payment to a creditor  
22 under a repayment plan, the trustee shall pay any  
23 unpaid claim of a kind specified in section  
24 507(a)(2).

1           “(3) EXCEPTIONS.—In disbursing payments  
2           under this section, the trustee shall, at the time of  
3           each disbursement, pay—

4                   “(A) any unpaid claim of the kind de-  
5                   scribed in section 507(a)(2); and

6                   “(B) if a standing trustee appointed under  
7                   section 586(b) of title 28 is serving in the case,  
8                   the percentage fee fixed for the standing trustee  
9                   under section 586(e) of title 28.

10           “(4) PROPERTY RECOVERED IN AVOIDANCE AC-  
11           TIONS.—Subject to any exemption allowed under  
12           section 522, the trustee shall disburse any property  
13           the trustee recovers under section 550 in accordance  
14           with this subsection.

15           “(e) ENFORCEMENT OF OBLIGATIONS OF DEBTOR.—

16                   “(1) IN GENERAL.—Subject to paragraph (2),  
17                   the obligations of a debtor under a repayment plan  
18                   may be enforced solely by the trustee, which may in-  
19                   clude the enforcement of the security interest cre-  
20                   ated by section 1028(i).

21                   “(2) EXCEPTION.—The holder of a claim pro-  
22                   vided for under section 1022(a)(1)(B)(ii) may en-  
23                   force the debt that is the basis for the claim in ac-  
24                   cordance with section 1028(b).

1           “(3) 90-DAY DELINQUENCY REQUIREMENT.—

2           The trustee may not commence any action to enforce  
3           an obligation of the debtor under a repayment plan  
4           based on a delinquent payment until after the date  
5           on which the debtor has been delinquent on the pay-  
6           ment for an 90-day period.

7           “(4) PLAN ENFORCEABLE BY TRUSTEE AS A  
8           SIMPLE CONTRACT.—Subject to sections 362 and  
9           1029 and paragraph (7), the trustee may enforce an  
10          obligation of the debtor under a repayment plan as  
11          a simple contract under applicable nonbankruptcy  
12          law.

13          “(5) APPLICATION OF NONBANKRUPTCY LAW.—  
14          Except as provided in section 1029, enforcement of  
15          the obligations of a debtor under a repayment plan  
16          shall be subject to applicable nonbankruptcy law, in-  
17          cluding laws relating to the garnishment of the  
18          wages of the debtor.

19          “(6) INEFFICIENT ENFORCEMENT PROHIB-  
20          ITED.—The trustee may not enforce the obligations  
21          of the debtor under a repayment plan if such en-  
22          forcement would not produce a meaningful distribu-  
23          tion to creditors.

24          “(7) INEFFICIENT ENFORCEMENT PROHIB-  
25          ITED.—

1           “(A) IN GENERAL.—The trustee may re-  
 2           cover from the debtor the reasonable attorneys’  
 3           fees and costs of enforcing the debtor’s obliga-  
 4           tion under a repayment plan in an amount  
 5           equal to not more than 2 times the minimum  
 6           payment obligation under the plan.

7           “(B) DEBTOR’S LIABILITY.—The debtor’s  
 8           liability for the fees and costs described in sub-  
 9           paragraph (A)—

10           “(i) shall be in addition to the min-  
 11           imum payment obligation; and

12           “(ii) may be awarded to the trustee  
 13           notwithstanding any previous compensa-  
 14           tion to which the trustee might be entitled  
 15           under section 330.

16           “(8) STATUTE OF LIMITATIONS FOR TRUSTEE  
 17           ENFORCEMENT.—An action by the trustee to enforce  
 18           an obligation of the debtor under a repayment plan  
 19           may not be commenced on a date that is more than  
 20           2 years after the earliest date on which the trustee  
 21           may bring an action under paragraph (3).

22           “(9) TRUSTEE’S RIGHTS NONASSIGNABLE.—  
 23           Any assignment, factoring, or transferring of rights  
 24           or amounts a debtor owes to a trustee under a re-

1 payment plan, or of rights or authority to collect any  
2 such amounts, is void.

3 **“§ 1026. Payments under a residence plan or property**  
4 **plan**

5 “(a) IN GENERAL.—Payments under a residence  
6 plan or a property plan shall be made by the debtor in  
7 accordance with the plan.

8 “(b) CURE OF DEFAULT.—

9 “(1) IN GENERAL.—If a residence plan or prop-  
10 erty plan proposes to cure a default on a claim se-  
11 cured by property of the debtor, the debtor may,  
12 upon completion of the cure payments due under the  
13 plan, send a certification to the holder of such claim  
14 that the debtor paid in full the amount to cure any  
15 default on the claim using a form prescribed by the  
16 Judicial Conference of the United States.

17 “(2) FINAL CURE ORDER.—The court, on re-  
18 quest of the debtor and in accordance with applica-  
19 ble Federal Rules of Bankruptcy Procedure, shall  
20 determine whether the debtor has cured the default  
21 and paid all required post-petition amounts.

22 **“§ 1027. Protection of lessors and purchase money**  
23 **lenders**

24 “(a) LEASE PAYMENTS.—The debtor shall timely  
25 make any payments scheduled in a lease of personal prop-

erty directly to the lessor for the portion of the obligation that becomes due after the date of the order for relief under this chapter, unless—

“(1) the court orders otherwise;

“(2) the debtor rejects a lease of personal property under section 365(a); or

“(3) the debtor assumes a lease of personal property under section 365(p)(1)(B).

“(b) INSURANCE COVERAGE.—Not later than 60 days after the date of the order for relief under this chapter, a debtor who has proposed a plan that retains possession of personal property subject to a lease a purchase money security interest shall—

“(1) provide the lessor or holder of the claim reasonable evidence of the maintenance of any insurance coverage required under the lease or purchase money security agreement with respect to the use or ownership of the property; and

“(2) continue to provide the reasonable evidence required under paragraph (1) for as long as the debtor retains possession of the property before the date of confirmation of a plan addressing the property.



1   **“§ 1028. Effect of confirmation**

2           “(a) BINDING EFFECT.—The provisions of a con-  
3   firmed plan bind the debtor and each creditor of a claim  
4   for which the plan provides, regardless of whether the  
5   creditor has objected to the plan.

6           “(b) REPAYMENT PLAN INJUNCTION.—Confirmation  
7   of a repayment plan shall operate as an injunction against  
8   the commencement or continuation of an action, the em-  
9   ployment of process, or an act to collect, recover, or offset  
10   any debt excepted from discharge under section 523(a)  
11   and treated under section 1022(a)(1)(B)(ii) until—

12           “(1) the date on which the debtor completes all  
13   payments due under the plan; or

14           “(2) the debtor is not less than 90 days delin-  
15   quent on a payment required under a repayment  
16   plan.

17           “(c) RESIDENCE PLAN INJUNCTION.—Except as pro-  
18   vided in subsection (e), confirmation of a residence plan  
19   shall operate as an injunction against the commencement  
20   or continuation of an action, the employment of process,  
21   or an act, to collect, recover, or offset any debt treated  
22   under section 1022(b)(2) or property securing such debt  
23   as long as the debtor is not more than 120 days delinquent  
24   on a payment required under a residence plan.

25           “(d) PROPERTY PLAN INJUNCTION.—Except as pro-  
26   vided in subsection (e), confirmation of a property plan

1 shall operate as an injunction against the commencement  
2 or continuation of an action, the employment of process,  
3 or an act, to collect, recover, or offset any debt treated  
4 under section 1022(c)(2) or property securing such debt  
5 as long as the debtor is not more than 90 days delinquent  
6 on a payment required under a property plan.

7 “(e) REQUEST FOR RELIEF FROM INJUNCTION.—

8 “(1) IN GENERAL.—A party in interest may re-  
9 quest from the court relief from the operation of an  
10 injunction under subsection (c) or (d).

11 “(2) GRANTING OF RELIEF.—The court shall  
12 grant relief requested under paragraph (1) for  
13 cause.

14 “(f) VESTING OF PROPERTY.—Except as otherwise  
15 provided in a plan or the order confirming the plan, the  
16 confirmation of a plan vests all of the property of the es-  
17 tate in the debtor.

18 “(g) FREE AND CLEAR.—Except as otherwise pro-  
19 vided in a plan or in the order confirming the plan, the  
20 property vesting in the debtor under subsection (f) is free  
21 and clear of any claim or interest of any creditor holding  
22 a claim provided for by the plan.

23 “(h) SECURED CLAIMS.—Except as provided by sec-  
24 tion 1031, the confirmation of a repayment plan leaves

1 unaltered the rights of the holder of a secured claim that  
 2 has not been avoided under this title.

3 “(i) SECURITY INTEREST CREATED TO SECURE RE-  
 4 PAYMENT PLAN OBLIGATION.—

5 “(1) IN GENERAL.—

6 “(A) EFFECT OF CONFIRMATION.—Except  
 7 as provided by subparagraph (C), the confirma-  
 8 tion of a repayment plan shall create a security  
 9 interest, which shall be deemed to have arisen  
 10 by agreement, in favor of the trustee on any  
 11 nonexempt property of the estate retained by  
 12 the debtor.

13 “(B) FUNCTION.—The security interest  
 14 described in subparagraph (A) shall secure pay-  
 15 ment of the amount the court determines the  
 16 debtor must pay to satisfy the requirement of  
 17 section 1025(b).

18 “(C) EXCEPTION.—If a debtor is not re-  
 19 quired to make payments under section  
 20 1025(b), the security interest in subparagraph  
 21 (A) shall not arise.

22 “(2) RECORD OF SECURITY INTEREST.—

23 “(A) IN GENERAL.—The trustee may per-  
 24 fect or record the security interest described in  
 25 paragraph (1)(A) in the manner directed by ap-

1           plicable nonbankruptcy law for perfecting a se-  
2           curity interest in the type of property subject to  
3           the trustee's security interest.

4           “(B) FEE.—The trustee shall pay any cus-  
5           tomary fee charged under applicable nonbank-  
6           ruptcy law for perfection or recordation of the  
7           security interest described in paragraph (1)(A).

8           “(C) TAX EXEMPTION.—The trustee and  
9           any other entity shall be exempt from any rec-  
10          ordation tax, transfer tax, or other similar tax  
11          that would otherwise accrue to the trustee or  
12          any other entity because of perfection or rec-  
13          ordation of a security interest under this sec-  
14          tion, and the failure to pay any such tax shall  
15          not be grounds for any filing office or officer to  
16          refuse to accept a filing from a trustee seeking  
17          to perfect a security interest under this section.

18          “(D) NO LIABILITY.—The trustee shall  
19          incur no liability to creditors or the estate for  
20          failure to perfect or record a security interest  
21          described in paragraph (1)(A) if the trustee had  
22          a reasonable and good faith belief that the costs  
23          of perfection or recordation exceeded the bene-  
24          fits.

1           “(E) PERFECTION BY POSSESSION.—The  
2 trustee may not perfect the security interest  
3 created by this section by taking possession of  
4 the property unless the debtor consents in writ-  
5 ing.

6           “(F) TERMINATION.—Within a reasonable  
7 time after satisfaction of the minimum payment  
8 obligation, the trustee shall terminate any per-  
9 fection or recordation of a security interest de-  
10 scribed in paragraph (1)(A) in the manner di-  
11 rected by applicable nonbankruptcy law for ter-  
12 minating the perfection or recordation of a se-  
13 curity interest in the type of property subject to  
14 the trustee’s security interest.

15           “(3) PRIORITY OF SECURITY INTEREST.—

16           “(A) IN GENERAL.—The security interest  
17 described in paragraph (1)(A) shall have pri-  
18 ority as determined by applicable nonbank-  
19 ruptcy law that governs security interests in the  
20 type of property subject to the trustee’s security  
21 interest.

22           “(B) DEEMING OF VALUE GIVEN.—With  
23 respect to the security interest described in  
24 paragraph (1)(A), for purposes of priority  
25 under the applicable nonbankruptcy law, the

1 trustee shall be deemed to have given value  
2 under a simple contract and in good faith as of  
3 the moment of confirmation.

4 “(C) Notwithstanding subparagraph (B), a  
5 security interest created under paragraph  
6 (1)(A) shall be subordinate to any lien that se-  
7 cures payment of a domestic support obligation.

8 “(4) SALE OF PROPERTY.—

9 “(A) IN GENERAL.—If the debtor sells  
10 property covered by the security interest cre-  
11 ated under paragraph (1)(A), the buyer takes  
12 free of the security interest only if the debtor  
13 tenders to the trustee the sales proceeds after  
14 costs of sale and satisfaction of liens superior to  
15 the security interest created by the security in-  
16 terest.

17 “(B) SURPLUS.—If the proceeds of sale  
18 tendered to the trustee in accordance with sub-  
19 paragraph (A) exceed the minimum payment  
20 obligation, the trustee shall return the surplus  
21 to the debtor.

22 “(5) ENFORCEMENT OF SECURITY INTEREST.—

23 “(A) IN GENERAL.—If the debtor is delin-  
24 quent on the repayment plan under section  
25 1025(e)(3), the trustee may request that the

1 court order the debtor to turn over any prop-  
2 erty covered by the security interest created  
3 under paragraph (1).

4 “(B) GRANTING OF REQUEST.—The court  
5 shall grant the trustee’s request for turnover  
6 under subparagraph (A) unless—

7 “(i) the delinquency is because of cir-  
8 cumstances that the debtor could not rea-  
9 sonably avoid; and

10 “(ii) the debtor shows there is a rea-  
11 sonable probability of curing the delin-  
12 quency within a reasonable time.

13 “(C) SALE OF PROPERTY.—After the debt-  
14 or turns over property under this paragraph,  
15 the trustee shall—

16 “(i) sell the property;

17 “(ii) after deducting costs of the sale,  
18 satisfying liens superior to the security in-  
19 terest created by paragraph (1)(A), and  
20 satisfying any compensation owed the  
21 trustee, apply the sales proceeds to pay-  
22 ment of the minimum payment obligation;  
23 and

1                   “(iii) return any surplus from the sale  
2                   above the minimum payment obligation to  
3                   the debtor.

4                   “(D) INSTRUMENT TO TRANSFER.—After  
5                   a sale in accordance with this paragraph, the  
6                   debtor or the trustee is authorized to execute,  
7                   on the debtor’s or the trustee’s behalf, as the  
8                   case may be, any instrument necessary or or-  
9                   dered by the court to effectuate the transfer to  
10                  the purchaser.

11                  “(j) EFFECT OF RESIDENCE OR PROPERTY PLAN.—  
12                  Except to the extent inconsistent with the plan or the pro-  
13                  visions of this title, confirmation of a residence plan or  
14                  a property plan leaves unaltered the rights of the parties  
15                  under any agreement that is the basis for a claim secured  
16                  by property provided for by the plan.

17                  “(k) CERTAIN CONTRACT PROVISIONS VOID.—

18                         “(1) IPSO FACTO CLAUSES VOID.—The con-  
19                         firmation of a plan voids any provision in a contract  
20                         provided for by the plan that is conditioned on—

21                                 “(A) the insolvency or financial condition  
22                                 of the debtor at any time before the closing of  
23                                 a case;

24                                 “(B) the commencement of a case under  
25                                 this title; or



1           “(C) the appointment of, or taking of pos-  
 2           session by, a trustee in a case under this title  
 3           or a custodian before a case is commenced  
 4           under this title.

5           “(2) ARBITRATION AND JOINT-ACTION PROVI-  
 6           SIONS VOID.—Notwithstanding any contrary provi-  
 7           sion of nonbankruptcy law, the confirmation of a  
 8           plan voids any pre-dispute arbitration agreement or  
 9           pre-dispute joint-action lawsuit waiver relating to  
 10          property subject to the plan.

11          “(1) JURISDICTION TO RESOLVE DISPUTES.—Upon  
 12          confirmation of a plan, the court shall retain jurisdiction  
 13          to resolve any disputes arising under, or relating to, the  
 14          plan and may order any appropriate relief in such a dis-  
 15          pute, including the suspension of the payment obligations  
 16          of the debtor under the plan.

17          **“§ 1029. Modification of repayment plan**

18          “(a) IN GENERAL.—After notice and a hearing, the  
 19          court may, for cause, modify an obligation of the debtor  
 20          under a repayment plan based on a material change in  
 21          the financial condition of the debtor that—

22                 “(1) occurs after the date of the confirmation  
 23                 of the repayment plan; and

24                 “(2) would impose a substantial burden on the  
 25                 debtor or a dependent of the debtor.

1       “(b) UNANTICIPATED ATTORNEY’S FEES.—If the  
 2 debtor incurs unanticipated attorney’s fees for services  
 3 provided subsequent to confirmation of a repayment plan,  
 4 including for services relating to this section, after notice  
 5 and a hearing, the court may, for cause—

6               “(1) subject to section 502(b)(3), allow the  
 7 debtor to modify the repayment plan to include  
 8 treatment of such attorney’s fees; and

9               “(2) permit the debtor to extend the term of a  
 10 repayment plan by up to 6 months to facilitate  
 11 treatment of such attorney’s fees.

## 12               “SUBCHAPTER III—DISCHARGE

### 13   “§ 1031. Discharge; scope and timing

14       “(a) IN GENERAL.—Subject to subsection (b), the  
 15 court shall grant the debtor a discharge in accordance with  
 16 subsection (c) as soon as is practicable after—

17               “(1) the date of confirmation of a repayment  
 18 plan; or

19               “(2) in the case of a debtor that has no min-  
 20 imum payment obligation, the date on which the  
 21 deadline for filing a repayment plan under section  
 22 1021(e) expires.

23       “(b) EXCEPTIONS.—The court may not grant a dis-  
 24 charge under subsection (a) to a debtor who has—

1           “(1) been granted a discharge under this sec-  
2           tion, under section 1141, 1192, 1128, or under  
3           former section 727 or 1328, within 6 years of the  
4           date of the filing of the petition;

5           “(2) failed to tender the property of the estate  
6           that is designated to be tendered under a repayment  
7           plan under section 1022(a)(1)(A)(i)(II);

8           “(3)(A) executed a written waiver of discharge  
9           after the date of the order for relief; and

10          “(B) appeared at a hearing at which the court  
11          determined that the debtor adequately understands  
12          the terms and consequences of the waiver described  
13          in subparagraph (A);

14          “(4) with the intent to hinder, delay, or defraud  
15          a creditor or an officer of the estate charged with  
16          the custody of property under this title, transferred,  
17          removed, destroyed, mutilated, concealed, or per-  
18          mitted the transfer, removal, destruction, mutilation,  
19          or concealment of—

20                 “(A) property of the debtor within 1 year  
21                 of the date of the filing of the petition; or

22                 “(B) property of the estate after the date  
23                 of the filing of the petition;

24          “(5) concealed, destroyed, mutilated, falsified,  
25          or failed to keep or preserve any recorded informa-

1       tion from which the financial condition or business  
2       transactions of the debtor might have been  
3       ascertained, unless such act or failure was justified  
4       under all of the circumstances of the case;

5           “(6) knowingly and fraudulently, in the case or  
6       in connection with the case—

7                   “(A) made a false oath or account;

8                   “(B) presented or used a false claim;

9                   “(C) gave, offered, received, or attempted  
10       to obtain money, property, or advantage, or a  
11       promise of money, property, or advantage, for  
12       acting or forbearing to act; or

13                  “(D) withheld from the trustee any re-  
14       corded information, including books, documents,  
15       records, and papers, relating to the property or  
16       financial affairs of the debtor;

17           “(7) failed to satisfactorily explain, before the  
18       determination of denial of discharge under this para-  
19       graph, any loss of assets or deficiency of assets to  
20       meet the liabilities of the debtor; or

21           “(8) refused in the case—

22                   “(A) to obey any lawful order of the court,  
23       other than an order to respond to a material  
24       question or to testify;

1           “(B) on the ground of privilege against  
2           self-incrimination, to respond to a material  
3           question approved by the court or to testify  
4           after the debtor has been granted immunity  
5           with respect to the matter concerning which the  
6           privilege was invoked; or

7           “(C) on a ground other than a properly in-  
8           voked privilege against self-incrimination, to re-  
9           spond to a material question approved by the  
10          court or to testify.

11          “(c) DEBTS DISCHARGED.—Except as provided in  
12          section 523, a discharge under subsection (a) discharges  
13          the debtor from all debts that arose before the date of  
14          the order for relief under this chapter and any liability  
15          on a claim that is determined under section 502 as if such  
16          debt or claim had arisen before the commencement of the  
17          case, whether or not—

18                 “(1) a proof of claim based on any such debt  
19                 or liability is filed under section 501; or

20                 “(2) a claim based on any such debt or liability  
21                 is allowed under section 502.

22          “(d) NOTICE OF DEBTOR’S RIGHTS.—Upon granting  
23          a discharge under subsection (a), the court shall include  
24          in the discharge order provided to the debtor on a form  
25          prescribed by the Judicial Conference of the United States

1 in accordance with rule 9009 of the Federal Rules of  
 2 Bankruptcy Procedure a conspicuous notice of—

3 “(1) the right to bring an action for contempt  
 4 or a civil action under section 524(c); and

5 “(2) the existence of other Federal or State  
 6 laws that may provide additional remedies to the  
 7 debtor in the event a person violates section 524.

8 “(e) SCOPE OF DISCHARGE WITH RESPECT TO  
 9 TAXES.—

10 “(1) IN GENERAL.—Subject to paragraph (2),  
 11 if the debtor pays through a repayment plan all tax  
 12 debts entitled to priority under section 507(a)(8),  
 13 the discharge under subsection (a) shall apply to all  
 14 debts described in section 523(a)(1).

15 “(2) EXCEPTION.—Paragraph (1) shall not  
 16 apply to a debt incurred through fraud.

17 **“§ 1032. Revocation of discharge or order of con-**  
 18 **firmation**

19 “(a) IN GENERAL.—On request of the trustee, a  
 20 creditor, or the United States trustee, at any time within  
 21 1 year after the date of the entry of an order of confirma-  
 22 tion under section 1024 or an order of discharge under  
 23 section 1031, and after notice and a hearing, the court  
 24 may revoke such order only if—

1           “(1) such confirmation or discharge was ob-  
2           tained through the fraud of the debtor and the re-  
3           questing party did not know of such fraud until  
4           after the granting of such confirmation or discharge;  
5           or

6           “(2) the debtor has refused, in the case—

7                   “(A) to obey any lawful order of the court,  
8                   other than an order to respond to a material  
9                   question or to testify;

10                   “(B) on the ground of privilege against  
11                   self-incrimination, to respond to a material  
12                   question approved by the court or to testify,  
13                   after the debtor has been granted immunity  
14                   with respect to the matter concerning which  
15                   such privilege was invoked; or

16                   “(C) on a ground other than the properly  
17                   invoked privilege against self-incrimination, to  
18                   respond to a material question approved by the  
19                   court or to testify.

20           “(b) DISPOSAL OF CASE.—If the court revokes an  
21           order of confirmation or an order of discharge under sub-  
22           section (a), the court shall convert or dismiss the case  
23           under section 1005.

1       “SUBCHAPTER IV—AVOIDANCE ACTIONS

2   **“§ 1041. Treatment of certain liens**

3       “The trustee may avoid a lien that secures a claim  
4 of a kind described in section 726(a)(4).

5   **“§ 1042. Limitations on avoidance actions**

6       “The trustee may not bring an action to avoid a  
7 transfer or obligation under section 544, 545, 547, 548,  
8 553, or 1041, unless there are allowed unsecured claims  
9 against the estate that the debtor does not propose to pay  
10 in full under a repayment plan.

11      “SUBCHAPTER V—LIMITED PROCEEDINGS

12   **“§ 1051. Election of limited proceeding**

13      “(a) IN GENERAL.—

14           “(1) ELECTION OF LIMITED PROCEEDING.—In  
15 a case commenced under section 301 or 302, a debt-  
16 or that is eligible to file under this chapter may, as  
17 part of the petition for relief, elect to conduct a lim-  
18 ited proceeding that affects only claims secured by  
19 specific items of the property of the debtor under  
20 this subchapter.

21           “(2) GENERAL PROCEEDING AS DEFAULT.—If  
22 the debtor does not elect to conduct a limited pro-  
23 ceeding in a case under this chapter—

24                   “(A) the case shall proceed as a general  
25 proceeding under this title; and



1 “(B) this subchapter shall not apply to the  
2 case.

3 “(b) LIMITATION ON ELECTION.—

4 “(1) IN GENERAL.—After the entry of order for  
5 relief, the debtor may not elect to conduct a limited  
6 proceeding.

7 “(2) ELECTION AFTER DISMISSAL.—Nothing in  
8 this section shall preclude a debtor, subsequent to  
9 the dismissal of a case, from—

10 “(A) filing a petition under section 301 or  
11 302; and

12 “(B) electing to conduct a limited pro-  
13 ceeding under subsection (a).

14 **“§ 1052. Effect of limited proceeding**

15 “If the debtor elects to conduct a limited proceeding  
16 under section 1051(a)—

17 “(1) the debtor shall file with the petition a  
18 schedule of affected property designating the prop-  
19 erty to be subject to the limited proceeding that lists  
20 any creditor that has an interest in such property;

21 “(2) the property of the estate under section  
22 541 shall be limited to property that the debtor has  
23 indicated in the schedule of affected property;

24 “(3) sections 341, 365, 1001, 1002, 1003,  
25 1005(a), 1005(b)(4), 1005(b)(7), 1005(c), 1008,

1       1021(a)(1), 1025, 1027(a), 1031, 1032, 1041, and  
2       1042 shall not apply to the case;

3           “(4) subject to any limitations of a trustee  
4       under this chapter, the debtor shall have the rights  
5       and powers of a trustee under—

6           “(A) subsections (b), (c), (d), (f), and (l)  
7       of section 363; and

8           “(B) sections 364, 544, 546, 547, 548,  
9       549, and 553;

10          “(5) the debtor shall file 1 or more plans under  
11       paragraphs (2) and (3) of section 1021(a) with re-  
12       spect to property listed in the schedule of affected  
13       property within 7 days of the order for relief, or  
14       such further time as the court may allow for cause,  
15       but in no case more than 30 days after the date of  
16       the order for relief;

17          “(6) the stay under subsection section 362(a)  
18       shall apply only to entities with an interest in the  
19       property that the debtor has indicated in the sched-  
20       ule of affected property as intended for treatment  
21       under a plan;

22          “(7) the debtor shall not be required to file the  
23       items required under section 521(a)(1)(B), other  
24       than a statement of current income and current ex-  
25       penditures; and

1           “(8) notice of the order for relief shall not be  
2           required to be provided to parties other than parties  
3           with claims secured by property that the debtor has  
4           indicated in the schedule of affected property and to  
5           the United States trustee.

6   **“§ 1053. Dismissal or conversion of limited pro-**  
7                           **ceedings**

8           “(a) ELECTION OF DISMISSAL OR CONVERSION OF  
9   LIMITED PROCEEDING.—The debtor may elect to dismiss  
10 a limited proceeding or convert a limited proceeding to a  
11 general proceeding under this chapter by filing a notice  
12 of termination or conversion within 7 days of the earlier  
13 of—

14           “(1) the failure of the debtor to timely file a  
15       plan required under section 1052(5); or

16           “(2) the failure of the court to confirm a plan  
17       within 60 days of the date of the order for relief.

18           “(b) CONVERSION OF LIMITED PROCEEDING.—If a  
19 debtor elects to convert a limited proceeding to a general  
20 proceeding under this chapter under subsection (a)—

21           “(1) the property of the estate shall be deter-  
22       mined under section 541, without regard to section  
23       1052(2), as of the date of the notice of conversion;

1           “(2) the stay under section 362(a) shall apply  
2           to each entity as of the date of the notice of conver-  
3           sion;

4           “(3) notice of the order for relief shall be pro-  
5           vided to each party in interest that was not notified  
6           under section 1052(8);

7           “(4) any timeline for an action to be taken by  
8           the debtor under this title that begins on the date  
9           of the order for relief shall be adjusted to begin on  
10          the date of the notice of conversion;

11          “(5) except as provided in section 506, with re-  
12          spect to a creditor that has a claim secured by prop-  
13          erty included in the schedule of affected property  
14          filed under section 1052(1), any claims that arose  
15          against the debtor after the date of the order for re-  
16          lief and before the date of the notice of conversion  
17          shall be deemed to have arisen immediately before  
18          the date of the filing of the petition; and

19          “(6) any valuation of property or an allowed se-  
20          cured claim, any determination of a claim allowance,  
21          and any other determination made in the course of  
22          the limited proceeding may be used in the general  
23          proceeding, unless the court for cause orders other-  
24          wise.

1       “(c) DISMISSAL BY COURT OF LIMITED PRO-  
 2  CEEDING.—At any time, after notice and a hearing, the  
 3  court, on its own motion or on a motion by the United  
 4  States trustee, may dismiss a case that is proceeding as  
 5  a limited proceeding on the grounds that the granting of  
 6  relief would be a manifestly improper use of the bank-  
 7  ruptcy system.”.

8       (b) CLERICAL AMENDMENT.—The table of chapters  
 9  for title 11, United States Code, is amended by inserting  
 10  after the item relating to chapter 9 the following:

“10. Individual bankruptcy ..... 1001”.

11   **SEC. 103. REPEAL OF CHAPTER 13.**

12       (a) IN GENERAL.—Chapter 13 of title 11, United  
 13  States Code, is repealed.

14       (b) CLERICAL AMENDMENT.—The table of chapters  
 15  for title 11, United States Code, is amended by striking  
 16  the item relating to chapter 13.

17   **SEC. 104. OTHER AMENDMENTS TO THE BANKRUPTCY**  
 18                           **CODE.**

19       (a) DEFINITIONS.—

20           (1) IN GENERAL.—Section 101 of title 11  
 21  United States Code, is amended—

22                   (A) by striking paragraphs (3), (4A),  
 23                   (10A), (12A), and (30);

24                   (B) by redesignating paragraphs (53B),  
 25                   (53C), (56A), (53D), (54), (54A), and (55) as

1 paragraphs (86), (87), (88), (89), (90), (91),  
2 and (92), respectively;

3 (C) by inserting before paragraph (86), as  
4 so redesignated, the following:

5 “(85) The term ‘store gift card’ means a card,  
6 code, or other device that is—

7 “(A) issued in exchange for payment on a  
8 prepaid basis primarily for personal, family, or  
9 household purposes to a consumer in a specified  
10 amount, whether or not that amount may be in-  
11 creased or reloaded; and

12 “(B) redeemable for goods or services upon  
13 presentation at a single merchant or an affili-  
14 ated group of merchants.”;

15 (D) by redesignating paragraphs (48),  
16 (48A), (49), (50), (51), (51A), (51B), (51C),  
17 (51D), (52), (53), and (53A) as paragraphs  
18 (73), (74), (75), (76), (77), (78), (79), (80),  
19 (81), (82), (83), and (84), respectively;

20 (E) by inserting before paragraph (73), as  
21 so redesignated, the following:

22 “(72) The term ‘residence plan’ means a plan  
23 filed pursuant to section 1022(b) of this title.”;

24 (F) by redesignating paragraphs (46) and  
25 (47) as paragraphs (70) and (71), respectively;

1 (G) by inserting before paragraph (70), as  
2 so redesignated, the following:

3 “(69) The term ‘repayment plan’ means a plan  
4 filed pursuant to section 1022(a) of this title.”;

5 (H) by redesignating paragraph (45) as  
6 paragraph (68);

7 (I) by inserting before paragraph (68), as  
8 so redesignated, the following:

9 “(67) The term ‘realizable value’ means the  
10 value, as of the relevant date, that could be obtained  
11 for the relevant property in a lawful foreclosure, re-  
12 possession, or execution sale, less the costs of such  
13 sale.”;

14 (J) by redesignating paragraphs (43) and  
15 (44) as paragraphs (65) and (66), respectively;

16 (K) by inserting before paragraph (65), as  
17 so redesignated, the following:

18 “(64) The term ‘property plan’ means a plan  
19 filed pursuant to section 1022(c) of this title.”;

20 (L) by redesignating paragraph (42A) as  
21 paragraph (63);

22 (M) by inserting before paragraph (63), as  
23 so redesignated, the following:

24 “(61) The term ‘pre-dispute arbitration agree-  
25 ment’ means any agreement to which the debtor is

1 a party to arbitrate a dispute that has not arisen at  
 2 the time of the making of the agreement.

3 “(62) The term ‘pre-dispute joint-action waiver’  
 4 means any agreement to which the debtor is a party,  
 5 whether or not part of a predispute arbitration  
 6 agreement, that would prohibit the debtor from par-  
 7 ticipating, or waive the right of the debtor to partici-  
 8 pate, in a joint, class, or collective action in a judi-  
 9 cial, arbitral, administrative, or other forum, con-  
 10 cerning a dispute that has not yet arisen at the time  
 11 of the making of the agreement.”;

12 (N) by redesignating paragraphs (40),  
 13 (40A), (40B), (41), (41A), and (42) as para-  
 14 graphs (55), (56), (57), (58), (59), and (60),  
 15 respectively;

16 (O) by inserting before paragraph (56), as  
 17 so redesignated, the following:

18 “(54) The term ‘minimum payment obligation’  
 19 means, except as provided in section 1021(d)(1) of  
 20 this title, an amount equal to the lesser of—

21 “(A) the allowed unsecured claims; or

22 “(B) the sum of—

23 “(i) the value of the debtor’s interest  
 24 in property of the bankruptcy estate in ex-  
 25 cess of—



1           “(I) any allowed secured claims  
2           that are secured by that property;  
3           plus

4           “(II) any exemption applicable  
5           under section 522(b); and

6           “(ii) to the extent the debtor’s annual  
7           income exceeds 135 percent of the sum of  
8           the median family income of the applicable  
9           State for 1 earner plus \$15,000 for each  
10          individual in the household other than the  
11          debtor—

12           “(I) if the excess is not over  
13           \$10,000, 15 percent of the excess;

14           “(II) if the excess is over  
15           \$10,000 but not over \$50,000, \$1,500  
16           plus 45 percent of the excess over  
17           \$10,000;

18           “(III) if the excess is over  
19           \$50,000 but not over \$100,000,  
20           \$19,500 plus 75 percent of the excess  
21           over \$50,000; or

22           “(IV) if the excess is over  
23           \$100,000, \$57,000 plus 150 percent  
24           of the excess over \$100,000.”;

1 (P) by redesignating paragraphs (31),  
 2 (32), (33), (34), (35), (35A), (36), (37), (38),  
 3 (38), (38A), (38B), (39), and (39A) as para-  
 4 graphs (41), (42), (43), (44), (45), (46), (47),  
 5 (48), (49), (50), (51), (52), and (53), respec-  
 6 tively;

7 (Q) in paragraph (45)(B), as so redesign-  
 8 nated, by striking “paragraphs (21B) and  
 9 (33)(A)” and inserting “paragraphs (29) and  
 10 (43)(A)”;

11 (R) by redesignating paragraphs (14),  
 12 (14A), (15), (16), (17), (18), (19), (19A),  
 13 (19B), (20), (21), (21A), (21B), (22), (22A),  
 14 (23), (24), (25), (26), (27), (27A), (27B), (28),  
 15 and (29) as paragraphs (17), (18), (19), (20),  
 16 (21), (22), (23), (24), (25), (26), (27), (28),  
 17 (29), (30), (31), (32), (33), (34), (35), (36),  
 18 (37), (38), (39), and (40), respectively;

19 (S) in paragraph (18), as so redesignated,

20 (i) in the matter preceding subpara-  
 21 graph (A), by inserting “attorneys’ fees  
 22 and” before “interest”; and

23 (ii) by striking subparagraph (A) and  
 24 inserting the following:

1           “(A) owed to or recoverable by a spouse,  
 2           former spouse, or child of the debtor or a par-  
 3           ent, legal guardian, or responsible relative of  
 4           such a child;”;

5           (T) by striking paragraph (13A) and in-  
 6           serting the following:

7           “(16) The term ‘debtor’s principal residence’,  
 8           with respect to a debtor, means 1 of the following:

9           “(A) A residential structure that the debt-  
 10          or or a dependent uses as a residence, including  
 11          an individual condominium, a mobile or manu-  
 12          factured home, or trailer or houseboat, and inci-  
 13          dental property, without regard to whether that  
 14          structure is attached to real property.

15          “(B) An interest in a cooperative that  
 16          owns property that the debtor or a dependent  
 17          of the debtor uses as a residence.

18          “(C) A residential leasehold that the debt-  
 19          or or a dependent of the debtor uses as a resi-  
 20          dence.”;

21          (U) by redesignating paragraphs (7A),  
 22          (7B) (8), (9), (10), (11), (12), and (13) as  
 23          paragraphs (8), (9), (10), (11), (12), (13),  
 24          (14), and (15), respectively; and

1 (V) by inserting before paragraph (4) the  
 2 following:

3 “(3) The term ‘annual income’ means—

4 “(A) an amount equal to twice the income  
 5 from all sources that the debtor receives (or in  
 6 a joint case the debtor and the debtor’s spouse  
 7 receive) without regard to whether such income  
 8 is taxable, derived during the 6-month period  
 9 ending on the last day of the calendar month  
 10 immediately preceding the date of the filing of  
 11 the petition; and

12 “(B) any amount paid by any entity other  
 13 than the debtor (or in a joint case the debtor  
 14 and the debtor’s spouse), on a regular basis on  
 15 behalf of the debtor, except that the proceeds  
 16 from the sale of an asset not in the ordinary  
 17 course of business shall not be included in an-  
 18 nual income.”.

19 (2) CONFORMING AMENDMENTS TO OTHER  
 20 LAWS.—

21 (A) Section 1503(3)(A)(iv) of the S.A.F.E.  
 22 Mortgage Licensing Act of 2008 (12 U.S.C.  
 23 1502(3)(A)(iv)) is amended by striking “section  
 24 101(53D)” and inserting “section 101(89)”.

1 (B) Section 116(a)(2)(A) of the Emer-  
2 gency Economic Stabilization Act of 2008 (12  
3 U.S.C. 5226(a)(2)(A)) is amended by striking  
4 “section 101(27)” and inserting “section  
5 101(36)”.

6 (C) Section 210(a) of the Dodd-Frank  
7 Wall Street Reform and Consumer Protection  
8 Act (12 U.S.C. 5390(a))—

9 (i) in paragraph (11)(H)—

10 (I) in clause (i)(I), by striking  
11 “section 101(31)” and inserting “sec-  
12 tion 101(41)”; and

13 (II) in clause (ii)(II), by striking  
14 “section 101(32)” and inserting “sec-  
15 tion 101(42)”; and

16 (ii) in paragraph (12)(C), by striking  
17 “section 101(32)” and inserting “section  
18 101(42)”.

19 (D) Section 3E(g) of the Securities Ex-  
20 change Act of 1934 (15 U.S.C. 78c–5(g)) is  
21 amended by striking “section 101(53A)(B)”  
22 and inserting “section 101(84)(B)”.

23 (E) Section 103(dd)(5) of the Truth in  
24 Lending Act (15 U.S.C. 1602(dd)(5)) is amend-

ed by striking “section 101(53D)” and inserting “section 101(89)”.

(F) Section 128(b)(2)(G)(i) of the Truth in Lending Act (15 U.S.C. 1638(b)(2)(G)(i)) is amended, in the matter preceding subclause (I), by striking “section 101(53D)” and inserting “section 101(89)”.

(G) Section 129B(f) of the Truth in Lending Act (15 U.S.C. 1639b(f)) is amended by striking “section 101(53D)” and inserting “section 101(89)”.

(H) Section 129C(i) of the Truth in Lending Act (15 U.S.C. 1639c(i)) is amended by striking “section 101(53D)” and inserting “section 101(89)”.

(I) Section 1016(f)(2)(A) of the Oil Pollution Act of 1990 (33 U.S.C. 2716(f)(2)(A)) is amended by striking “section 101(32)” and inserting “section 101(42)”.

(J) Section 405(j)(2)(C) of PROMESA (48 U.S.C. 2194(j)(2)(C)) is amended by striking “section 101(11)” and inserting “section 101(13)”.

(b) APPLICABILITY OF CHAPTERS.—Section 103 of title 11, United States Code, is amended—

1 (1) in subsection (a)—

2 (A) by striking “chapter 7, 11, 12, or 13  
3 of this title” and inserting “chapter 7, 10, 11,  
4 or 12 of this title”; and

5 (B) by striking “section 362(o)” and in-  
6 serting “section 362(m)”; and

7 (2) in subsection (j), by striking “Chapter 13”  
8 and inserting “Chapter 10”.

9 (c) ADJUSTMENT OF DOLLAR AMOUNTS.—Section  
10 104 of title 11, United States Code, is amended—

11 (1) in subsection (a) by striking “sections  
12 101(3)” and all that follows through “of this title”  
13 and inserting “this title”; and

14 (2) in subsection (b) by striking “sections  
15 101(3)” and all that follows through “of this title”  
16 and inserting “this title”.

17 (d) WAIVER OF SOVEREIGN IMMUNITY.—Section  
18 106(a)(1) of title 11, United States Code, is amended—

19 (1) by striking “722,”;

20 (2) by inserting “1028,” after “944,”; and

21 (3) by striking “1231, 1301, 1303, 1305, and  
22 1327” and inserting “and 1231”.

23 (e) EXTENSION OF TIME.—Section 108 of title 11,  
24 United States Code, is amended—

(1) in subsection (b), in the matter preceding paragraph (1), by striking “or 1301”; and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking “1201 or 1301” and inserting “1009 or 1201”; and

(B) in paragraph (2), by striking “section 362, 922, 1201, or 1301 of this title,” and inserting “section 362, 922, or 1201 of this title,”.

(f) WHO MAY BE A DEBTOR.—

(1) IN GENERAL.—Section 109 of title 11, United States Code, is amended—

(A) in subsection (b)—

(i) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively; and

(ii) by inserting before paragraph (2), as so redesignated, the following:

“(1) an individual;”;

(B) by striking subsection (e);

(C) by redesignating subsection (d) as (e);

(D) by inserting after subsection (c) the following:



1       “(d) Only an individual that owes aggregate non-  
 2 contingent liquidated secured and unsecured debts as of  
 3 the date of the filing of the petition or the date of the  
 4 order for relief in an amount not more than \$7,500,000  
 5 (excluding debts owed to 1 or more affiliates or insiders)  
 6 may be a debtor under chapter 10 of this title.”;

7               (E) in subsection (e), as so redesignated,  
 8               by striking “railroad, a person” and inserting  
 9               “railroad, an individual, a person”;

10              (F) by striking subsection (g) and insert-  
 11              ing the following:

12       “(g) Notwithstanding any other provision of this sec-  
 13 tion, no individual or family farmer may be a debtor under  
 14 this title who has been a debtor in a case pending under  
 15 this title at any time in the preceding 180 days if the case  
 16 was dismissed by the court for willful failure of the debtor  
 17 to abide by orders of the court, or to appear before the  
 18 court in proper prosecution of the case.”; and

19              (G) by striking subsection (h) and insert-  
 20              ing the following:

21       “(h)(1) Upon motion of a party in interest or on the  
 22 court’s own motion, the court may, after notice and a  
 23 hearing, include in an order dismissing a case under sec-  
 24 tion 707, 1005, 1053(c), 1112, or 1208 of this title a re-

1 striction of the debtor’s eligibility to refile a subsequent  
 2 case under this title upon a finding of cause, including—

3 “(A) willful failure of the debtor to—

4 “(i) abide by orders of the court; or

5 “(ii) propose a plan required under section  
 6 1021, 1129, or 1225 in good faith and not by  
 7 any means forbidden by law;

8 “(B) willful and substantial default by the debt-  
 9 or with respect to a term of a confirmed plan;

10 “(C) a pattern or practice of filing bankruptcy  
 11 petitions as part of a manifestly improper use of the  
 12 bankruptcy system;

13 “(D) willful failure of the debtor to appear be-  
 14 fore the court in proper prosecution of the case; or

15 “(E) other manifestly improper use of the pro-  
 16 visions of this title.

17 “(2) The period of ineligibility for a subsequent  
 18 case—

19 “(A) shall extend for 180 days from the date of  
 20 the entry of the court’s order unless the court orders  
 21 otherwise; and

22 “(B) may extend for a period longer than 180  
 23 days (but not to exceed 720 days) only if the court  
 24 finds manifestly improper use of the bankruptcy sys-  
 25 tem.

1       “(3) After notice and a hearing, the court may de-  
 2       crease the period of ineligibility based upon a showing of  
 3       changed circumstances or for good cause shown.”.

4               (2) CONFORMING AMENDMENTS.—

5               (A) Section 1501(c)(2) of title 11, United  
 6       States Code, is amended by striking “109(e)”  
 7       and inserting “109(d)”.

8               (B) Section 303(1) of PROMESA (48  
 9       U.S.C. 2163(1)) is amended by striking “sec-  
 10       tion 109(b)(2)” and inserting “section  
 11       109(b)(3)”.

12       (g) PENALTY FOR PERSONS WHO NEGLIGENTLY OR  
 13       FRAUDULENTLY PREPARE BANKRUPTCY PETITIONS.—  
 14       Section 110(e)(2)(B)(i)(II) of title 11, United States  
 15       Code, is amended by striking “under chapter 7, 11, 12,  
 16       or 13” and inserting “under chapter 10, 11, or 12”.

17       (h) NONPROFIT BUDGET AND CREDIT COUNSELING  
 18       AGENCIES; FINANCIAL MANAGEMENT INSTRUCTIONAL  
 19       COURSES.—

20               (1) Chapter 1 of title 11, United States Code,  
 21       is amended by striking section 111.

22               (2) The table of sections for chapter 1 of title  
 23       11, United States Code, is amended by striking the  
 24       item relating to section 111.

1 (i) INVOLUNTARY CASES.—Section 303 of title 11,  
2 United States Code, is amended—

3 (1) in subsection (a) by striking “chapter 7 or  
4 11 of this title” and inserting “chapter 7, 10, or 11  
5 of this title”;

6 (2) in subsection (b) by striking “chapter 7 or  
7 11 of this title—” and inserting “chapter 7, 10, or  
8 11 of this title—”;

9 (3) in subsection (g)—

10 (A) by striking “chapter 7 of this title”  
11 and inserting “chapter 7 or 10 of this title”;  
12 and

13 (B) by striking “section 701 of this title”  
14 and inserting section 701 or 1003 of this title”;  
15 and

16 (4) in subsection (k)(2), by striking “the court  
17 may enter an order” and inserting “the court shall  
18 enter an order”.

19 (j) APPEARANCE BY CONSUMER FINANCIAL PROTEC-  
20 TION BUREAU.—

21 (1) IN GENERAL.—Subchapter I of chapter 3 of  
22 title 11, United States Code, is amended by adding  
23 at the end the following:

1   **“§ 309. Bureau of Consumer Financial Protection ap-**  
 2                   **pearances in bankruptcy cases**

3           “Notwithstanding section 1054(e) of the Consumer  
 4   Financial Protection Act (12 U.S.C. 5564(e)), the Bureau  
 5   of Consumer Financial Protection may represent itself in  
 6   its own name and may raise, appear, and be heard on any  
 7   issue in a case under this title before any court with ap-  
 8   propriate jurisdiction.”.

9           (2) CONFORMING AMENDMENT.—The table of  
 10   sections for chapter 3 of title 11, United States  
 11   Code, is amended by inserting after the item relating  
 12   to section 308 the following:

“309. Bureau of Consumer Financial Protection appearances in bankruptcy  
 cases.”.

13          (k) ELIGIBILITY TO SERVE AS TRUSTEE.—Section  
 14   321(a) of title 11, United States Code, is amended by  
 15   striking “under chapter 7, 12, or 13 of this title,” each  
 16   place it appears and inserting “under chapter 7, 10, or  
 17   12 of this title,”.

18          (l) QUALIFICATION OF TRUSTEE.—Section 322(a) of  
 19   title 11, United States Code, is amended by striking “701,  
 20   702, 703, 1104, 1163, 1183, 1202, or 1302” and insert-  
 21   ing “701, 702, 703, 1001, 1104, 1163, 1183, or 1202”.

22          (m) LIMITATION ON COMPENSATION OF TRUSTEE.—  
 23   Section 326(b) of title 11, United States Code, is amend-  
 24   ed—

1           (1) by striking “chapter 12 or 13 of this title,”  
2           and inserting “chapter 10 or 12 of this title,”;

3           (2) by striking “under section 1202(a) or  
4           1302(a) of this title” and inserting “under section  
5           1001(a) or 1202(a) of this title”; and

6           (3) by striking “not to exceed five percent upon  
7           all payments under the plan” and inserting “not to  
8           exceed 5 percent upon all payments under the chap-  
9           ter 11 or 12 plan or under the chapter 10 repay-  
10          ment plan”.

11          (n) DEBTOR’S TRANSACTIONS WITH ATTORNEYS.—  
12          Section 329 of title 11, United States Code, is amended—

13               (1) in subsection (b)(1)(B), by striking “chap-  
14               ter 11, 12, or 13 of this title” and inserting “chap-  
15               ter 10, 11, or 12 of this title”; and

16               (2) by adding at the end the following:

17               “(c) In a case under chapter 10 of this title, no com-  
18               pensation shall be allowed for the debtor’s attorney under  
19               this title unless—

20                       “(1) the agreement between the debtor and the  
21                       debtor’s attorney providing for compensation—

22                               “(A) was made not more than 90 days be-  
23                               fore the date of the filing of the petition;

1           “(B) specifies the services provided or to  
2           be provided by the debtor’s attorney and the at-  
3           torney’s related fees and expenses;

4           “(C) provides that the debtor will not be  
5           requested to pay or be liable for any amounts  
6           other than reasonable attorneys’ fees and ex-  
7           penses—

8                   “(i) specified in the agreement;

9                   “(ii) for any adversary proceeding in  
10           which the debtor is a party; or

11                   “(iii) for services required by the  
12           debtor or the court that the attorney  
13           should not have reasonably anticipated at  
14           the time of the agreement;

15           “(D) does not provide for the payment of  
16           interest or any additional fees based on delay in  
17           payment or risk of nonpayment or for costs of  
18           collection on installment payments;

19           “(E) provides for installment payments of  
20           any compensation still owing on the date of the  
21           petition over a period of not more than 1 year;  
22           and

23           “(F) does not include a pre-dispute arbi-  
24           tration agreement or a pre-dispute joint-action

1           waiver with respect to any dispute under the  
2           agreement;

3           “(2) the attorney has discussed with the debtor  
4           the attorney’s fees and expenses under the agree-  
5           ment and the consequences of the attorney’s filing  
6           the certification required under paragraph (3), and,  
7           after full disclosure, the debtor consents to the filing  
8           of the certification; and

9           “(3) the attorney files with the court a certifi-  
10          cation, in accordance with rule 9011 of the Federal  
11          Rules of Bankruptcy Procedure, with respect to the  
12          agreement that—

13               “(A) the conditions specified in paragraphs  
14               (1) and (2) are satisfied; and

15               “(B) the enforcement of the agreement  
16               would not impose an undue hardship on the  
17               debtor or the debtor’s dependents.

18          “(d) In a case under chapter 10 of this title, any as-  
19          signment, factoring, or transfer of rights or amounts, or  
20          of rights or authority to collect any such amounts, due  
21          under an agreement between the debtor and the debtor’s  
22          attorney is void.

23          “(e) In a case under chapter 10 of this title, the  
24          bankruptcy court where the bankruptcy case was heard—



1 “(1) shall have exclusive jurisdiction over any  
 2 disputes under, and enforcement of, an agreement  
 3 that is subject to this section, whether or not the  
 4 case has been closed; and

5 “(2) in the event of nonpayment of on agree-  
 6 ment described in subsection (c), the court may  
 7 issue a judgment for monies owed only under an  
 8 agreement made during the 540-day period pre-  
 9 ceding the date of the judgment.”.

10 (o) COMPENSATION OF OFFICERS.—

11 (1) IN GENERAL.—Section 330 of title 11,  
 12 United States Code, is amended—

13 (A) in subsection (a)(4)(B), by striking  
 14 “In a chapter 12 or chapter 13 case in which  
 15 the debtor is an individual,” and inserting “In  
 16 a chapter 10 or 12 case in which the debtor is  
 17 an individual,”;

18 (B) by redesignating subsections (c), (d),  
 19 and (e) as subsections (d), (e), and (f), respec-  
 20 tively;

21 (C) by inserting after subsection (b) the  
 22 following:

23 “(c) There shall be paid from the filing fee in a case  
 24 under chapter 10 of this title \$120 to the trustee serving

1 in such case, after such trustee's services are rendered.”;  
 2 and

3 (D) in subsection (d), as so redesignated,  
 4 by striking “in a case under chapter 12 or 13”  
 5 and inserting “in a case under chapter 10 or  
 6 12”.

7 (2) CONFORMING AMENDMENT.—Section  
 8 589a(b)(7) of title 28, United States Code, is  
 9 amended by striking “section 330(d)” and inserting  
 10 “section 330(e)”.

11 (p) MEETINGS OF CREDITORS AND EQUITY SECU-  
 12 RITY HOLDERS.—Section 341 of title 11, United States  
 13 Code, is amended—

14 (1) in subsection (c), by striking “chapter 7 or  
 15 13” and inserting “chapter 10 of this title”;

16 (2) in subsection (d)—

17 (A) in the matter preceding paragraph (1),  
 18 by striking “chapter 7” and inserting “chapter  
 19 10”;

20 (B) in paragraph (1), by adding “and” at  
 21 the end;

22 (C) by striking paragraph (2);

23 (D) by redesignating paragraph (3) as  
 24 paragraph (2);

1 (E) in paragraph (2), as so redesignated,  
2 by striking “; and” and inserting a period; and

3 (F) by striking paragraph (4); and  
4 (3) by adding at the end the following:

5 “(f) In a case under chapter 10 of this title—

6 “(1) the meeting of creditors under subsection  
7 (a) may be convened electronically and allow remote  
8 appearances of all parties;

9 “(2)(A) the debtor shall not be required to ap-  
10 pear in person if it would impose an unreasonable  
11 burden on the debtor; and

12 “(B) there shall be a rebuttable presumption  
13 that in-person attendance at the meeting of creditors  
14 under subsection (a) is an unreasonable burden on  
15 the debtor if the debtor’s address on the bankruptcy  
16 petition is more than 10 miles from the location of  
17 the courthouse of the bankruptcy court where the  
18 meeting of creditors under subsection (a) would  
19 occur; and

20 “(3) the meeting of creditors under subsection  
21 (a) shall be scheduled at such times to avoid conflict  
22 with the debtor’s employment.”.

23 (q) NOTICE.—Section 342 of title 11, United States  
24 Code, is amended—

25 (1) by striking subsections (b) and (d);

1           (2) by redesignating subsections (c), (e), (f),  
 2           and (g) as subsections (b), (c), (d), and (e), respec-  
 3           tively;

4           (3) in subsection (c)(1), as so redesignated, by  
 5           striking “chapter 7 or 13” and inserting “chapter  
 6           10”;

7           (4) in subsection (d), as so redesignated—

8                   (A) in paragraph (1), by striking “chapters  
 9           7 or 13” and inserting “chapter 10”; and

10                   (B) in paragraph (2)—

11                           (i) by striking “chapter 7 or 13” and  
 12                           inserting “chapter 10”; and

13                           (ii) by striking “subsection (e)” and  
 14                           inserting “subsection (c)”; and

15           (5) in subsection (e)(2), as so redesignated, by  
 16           striking “section 362(k)” and inserting “section  
 17           362(j)”.

18           (r) UNCLAIMED PROPERTY.—Section 347(a) of title  
 19 11, United States Code, is amended by striking “under  
 20 section” and all that follows through “as the case may  
 21 be” and inserting “under section 726, 1025, 1194, or  
 22 1226 of this title under chapter 7, chapter 10, subchapter  
 23 V of chapter 11, or chapter 12 of this title, as the case  
 24 may be”.

1       (s) EFFECT OF CONVERSION.—Section 348 of title  
2 11, United States Code, is amended—

3           (1) in subsection (b)—

4               (A) by striking “sections 701(a),  
5 727(a)(10), 727(b), 1102(a), 1110(a)(1),  
6 1121(b), 1121(c), 1141(d)(4), 1201(a), 1221,  
7 1228(a), 1301(a), and 1305(a) of this title”  
8 and inserting “sections 701(a), 1009(a),  
9 1025(b), 1027(a), 1027(b), 1031(c), 1102(a),  
10 1110(a)(1), 1121(b), 1121(c), 1141(d)(4),  
11 1201(a), 1221, and 1228(a) of this title”; and

12               (B) by striking “under section 706, 1112,  
13 1208, or 1307 of this title” and inserting  
14 “under section 706, 1005, 1053(c), 1112, or  
15 1208 of this title”;

16           (2) in subsection (c), by striking “under section  
17 706, 1112, 1208, or 1307 of this title” and inserting  
18 “under section 706, 1005, 1053(c), 1112, or 1208”  
19 of this title;

20           (3) in subsection (d), by striking “under section  
21 1112, 1208, or 1307 of this title” and inserting  
22 “under section 1005, 1053(c), 1112, or 1208 of this  
23 title”;

24           (4) in subsection (e), by striking “under section  
25 706, 1112, 1208, or 1307 of this title” and inserting

1 “under section 706, 1005, 1053(c), 1112, or 1208”  
 2 of this title; and

3 (5) by striking subsection (f).

4 (t) EFFECT OF DISMISSAL.—Section 349 of title 11,  
 5 United States Code, is amended—

6 (1) by striking subsection (a) and inserting the  
 7 following:

8 “(a) The dismissal of a case shall not—

9 “(1) bar the discharge, in a later case, of debts  
 10 that were dischargeable in the case dismissed, except  
 11 as provided in section 523, 1031, 1141, or 1228; or

12 “(2) prejudice the debtor with regard to the fil-  
 13 ing of a subsequent petition, except as provided in  
 14 subsection (g) or (h) of section 109.”; and

15 (2) in subsection (b)(1)(B), by striking “or  
 16 724(a) of this title,” and inserting “724(a), or 1041  
 17 of this title,”.

18 (u) AUTOMATIC STAY.—

19 (1) IN GENERAL.—Section 362 of title 11,  
 20 United States Code, is amended—

21 (A) in subsection (a)—

22 (i) in paragraph (3), by inserting “or  
 23 to retain” after “to exercise control over”;

24 (ii) in paragraph (7), by striking  
 25 “and” at the end;

1 (iii) in paragraph (8), by striking the  
 2 period at the end and inserting “; and”;  
 3 and

4 (iv) by adding at the end the fol-  
 5 lowing:

6 “(9) in a case under chapter 10 of this title, at  
 7 any time before the earliest of a conversion or dis-  
 8 missal under section 1005 of this title, a dismissal  
 9 under section 1053(c) of this title, or a discharge  
 10 under section 1031 of this title, any act to alter,  
 11 refuse, or discontinue utility service provided to the  
 12 debtor under an agreement entered into before the  
 13 entry of the order for relief.”;

14 (B) in subsection (b)—

15 (i) by striking paragraph (22);

16 (ii) by redesignating paragraphs (23),  
 17 (24), (25), (26), (27), (28), and (29) as  
 18 paragraphs (22), (23), (24), (25), (26),  
 19 (27), and (28), respectively;

20 (iii) in paragraph (22), as so redesign-  
 21 ated, by striking “subsection (m)” and in-  
 22 serting “subsection (l)”;

23 (iv) in paragraph (27), as so redesign-  
 24 ated, by striking “and” at the end;

1 (v) in paragraph (28), as so redesign-  
 2 nated, by striking the period and inserting  
 3 “; and”; and

4 (vi) by striking the matter following  
 5 paragraph (28), as so redesignated and in-  
 6 serting the following:

7 “(29) under subsection (a), over retention of  
 8 property of the estate subject to a potential loss of  
 9 value due to accident, casualty, or theft unless the  
 10 party entitled to possession provides proof of insur-  
 11 ance or other security sufficient to protect the cred-  
 12 itor against such loss of value.”;

13 (C) in subsection (c)—

14 (i) in the matter preceding paragraph  
 15 (1), by striking “(f), and (h)” and insert-  
 16 ing “and (f)”;

17 (ii) by striking paragraphs (2) and (3)  
 18 and inserting the following:

19 “(2) in a case under chapter 7, 9, 11, or 12,  
 20 the stay of any other act under subsection (a) of this  
 21 section continues until the earliest of—

22 “(A) the time the case is closed;

23 “(B) the time the case is dismissed; or



1           “(C) if the case is a case under chapter 9,  
2           11, or 12, the time a discharge is granted or  
3           denied;

4           “(3) in a case under chapter 10, the stay of any  
5           other act under subsection (a) of this section con-  
6           tinues until the earliest of—

7                   “(A) the time the case is closed;

8                   “(B) the time the case is dismissed; or

9                   “(C) the time specified in section 1021(e)  
10           has expired without the debtor having filed a  
11           plan; and”;

12                   (iii) in subparagraph (A)(i) of para-  
13           graph (4), by striking “dismissed, other  
14           than a case refiled under a chapter other  
15           than chapter 7 after dismissal under sec-  
16           tion 707(b),” and inserting “dismissed,”;

17                   (D) in subsection (e)(2), by striking “chap-  
18           ter 7, 11, or 13” and inserting “chapter 10 or  
19           11”;

20                   (E) by striking subsections (h) and (i);

21                   (F) by redesignating subsections (j)  
22           through (o) as subsections (h) through (m) re-  
23           spectively;

24                   (G) in subsection (i), as so redesignated—

1 (i) by striking “(1) Except as pro-  
 2 vided in paragraph (2), an” and inserting  
 3 “An”; and

4 (ii) by striking paragraph (2); and

5 (H) by adding at the end the following:

6 “(n) Any agreement of the debtor entered into before  
 7 the filing of the petition to waive the provisions of this  
 8 section or any other provision of this title is void.”.

9 (2) CONFORMING AMENDMENTS.—

10 (A) Section 1519(f) of title 11, United  
 11 States Code, is amended by striking “section  
 12 362(o)” and inserting “section 362(m)”.

13 (B) Section 1521(f) of title 11, United  
 14 States Code, is amended by striking “section  
 15 362(o)” and inserting “section 362(m)”.

16 (v) USE, SALE, OR LEASE OF PROPERTY.—Section  
 17 363 of title 11, United States Code, is amended—

18 (1) in subsection (c)(1) by striking “section  
 19 721, 1108, 1183, 1184, 1203, 1204 or 1304 of this  
 20 title” and inserting “section 721, 1003, 1108, 1183,  
 21 1184, 1203, or 1204 of this title”; and

22 (2) in subsection (l) by striking “under chapter  
 23 11, 12, or 13 of this title” and inserting “under  
 24 chapter 10, 11, or 12 of this title”.

1       (w) OBTAINING CREDIT.—Section 364(a) of title 11,  
 2 United States Code, is amended by striking “section 721,  
 3 1108, 1183, 1184, 1203, 1204, or 1304 of this title,” and  
 4 inserting “section 721, 1108, 1183, 1183, 1203, or 1204  
 5 of this title.”.

6       (x) EXECUTORY CONTRACTS AND UNEXPIRED  
 7 LEASES.—Section 365 of title 11, United States Code, is  
 8 amended—

9           (1) in subsection (d)(2), by striking “under  
 10 chapter 9, 11, 12, or 13 of this title” and inserting  
 11 “under chapter 9, 10, 11, or 12 of this title”;

12           (2) in subsection (g)—

13               (A) in paragraph (1), by striking “under  
 14 chapter 9, 11, 12, or 13 of this title,” and in-  
 15 serting “under chapter 9, 10, 11, or 12 of this  
 16 title,”; and

17               (B) in paragraph (2)—

18                   (i) in the matter preceding subpara-  
 19 graph (A), by striking “under chapter 9,  
 20 11, 12, or 13 of this title” and inserting  
 21 “under chapter 9, 10, 11, or 12 of this  
 22 title”;

23                   (ii) in subparagraph (A) by striking  
 24 “under section 1112, 1208 or 1307 of this

1 title,” and inserting “under section 1005,  
 2 1053(c), 1112, or 1208 of this title,”; and  
 3 (iii) in subparagraph (B), in the mat-  
 4 ter preceding clause (i), by striking “under  
 5 section 1112, 1208 or 1307 of this title”  
 6 and inserting “under section 1005,  
 7 1053(c), 1112, or 1208 of this title”; and  
 8 (3) by striking subsection (p) and inserting the  
 9 following:

10 “(p) Notwithstanding any provision in a lease or ap-  
 11 plicable nonbankruptcy law, the following shall apply:

12 “(1)(A) If the debtor is an individual, the trust-  
 13 ee shall be deemed to have abandoned any unexpired  
 14 lease of residential real property that is the debtor’s  
 15 principal residence of which the debtor or the debt-  
 16 or’s spouse or dependents is a tenant.

17 “(B)(i) Notwithstanding any other provision of  
 18 this section, the debtor may assume such a lease—

19 “(I) without curing any monetary defaults  
 20 under the lease that aggregate no more than  
 21 the amount described in clause (iii); and

22 “(II) without adequate assurance of future  
 23 performance.

24 “(ii) If there are monetary defaults under the  
 25 lease that aggregate to more than the amount de-

1       scribed in clause (iii), the debtor may not assume  
2       such lease unless all monetary defaults in excess of  
3       the amount described in clause (iii) are cured.

4               “(iii) The amount described in this clause is the  
5       amount equal to 6 times the monthly rent to be paid  
6       by the debtor under the lease.

7               “(C) Any monetary defaults on such a lease left  
8       uncured shall become claims against the estate in  
9       accordance with section 365(g).

10              “(D)(i) All non-monetary defaults on such a  
11       lease shall be deemed waived, except those relating  
12       to health or safety, which shall require permission of  
13       the court to waive or modify if the lessor objects to  
14       their waiver or modification.

15              “(ii) Any pecuniary loss in accordance with  
16       such a non-monetary default shall constitute a claim  
17       against the estate in accordance with subsection  
18       365(g).

19              “(E) Such a lease not assumed by the debtor,  
20       including satisfaction or adequate assurance of any  
21       cure required within 60 days of the order of relief,  
22       under this paragraph shall return to the bankruptcy  
23       estate.

24              “(2)(A) If the debtor is an individual and if an  
25       unexpired lease of property not subject to paragraph

1 (1) is rejected or not timely assumed by the trustee  
2 under subsection (d), the debtor may move to as-  
3 sume the lease.

4 “(B) The court—

5 “(i) may approve such an assumption if  
6 the debtor cures any monetary default within  
7 90 days after the date of assumption; and

8 “(ii) shall withhold any discharge of the  
9 debtor until such cure is made.

10 “(C) The debtor’s interest in the lease or prop-  
11 erty that is the subject of the lease ceases to be  
12 property of the estate if—

13 “(i) the debtor fails to move to assume the  
14 lease within 14 days after the lease is rejected  
15 or not timely assumed by the trustee; or

16 “(ii) the debtor’s motion to assume the  
17 lease is denied.

18 “(D) All non-monetary defaults on such a lease  
19 shall be deemed waived except those relating to  
20 health or safety, which shall require permission of  
21 the court upon motion to waive or modify if the les-  
22 sor objects to their waiver or modification.

23 “(3) In this subsection, the term ‘lease’ does  
24 not include—

1           “(A) an agreement that is a security inter-  
 2           est under applicable nonbankruptcy law, irre-  
 3           spective of its form; or

4           “(B) a lease the term of which extends be-  
 5           yond the remaining economic life of the prop-  
 6           erty.”.

7           (y) UTILITY SERVICE.—Section 366(b) of title 11  
 8           United States Code, is amended by striking “Such utility”  
 9           and inserting “In a case other than under chapter 10 of  
 10          this title, such utility”.

11          (z) FILING OF PROOFS OF CLAIMS OR INTERESTS.—  
 12          Section 501 of title 11, United States Code, is amended  
 13          by adding at the end the following:

14          “(f)(1) Any creditor that files a claim in a case in  
 15          which the debtor is an individual, and any attorney rep-  
 16          resenting such creditor, shall at the time of filing certify,  
 17          under penalty of perjury, whether the creditor has a bene-  
 18          ficial interest in the claim and to what extent.

19          “(2) If the creditor does not hold the entire beneficial  
 20          interest in the claim, the creditor shall disclose in the cer-  
 21          tification under paragraph (1) the identity of the party  
 22          or parties holding the beneficial interest.

23          “(3) The creditor shall promptly notify the court, the  
 24          trustee, the United States Trustee, and the debtor of any

1 updates necessary to maintain the accuracy of the certifi-  
 2 cation under paragraph (1).

3 “(g) The filing of a claim under this title shall not  
 4 revive any period of limitations under applicable nonbank-  
 5 ruptcy law.”.

6 (aa) ALLOWANCE OF CLAIMS OR INTERESTS.—

7 (1) IN GENERAL.—Section 502 of title 11,  
 8 United States Code, is amended—

9 (A) in subsection (b)—

10 (i) in the matter preceding paragraph  
 11 (1), by striking “subsections (e)(2), (f),  
 12 (g), (h) and (i)” and inserting “subsections  
 13 (c), (f)(2), (g), (h), (i) and (j)”;

14 (ii) in paragraph (2), by striking “in-  
 15 terest;” and inserting “interest, including  
 16 under a prepayment penalty, yield mainte-  
 17 nance clause, make-whole clause, or similar  
 18 contractual provision;”;

19 (iii) by redesignating paragraphs (3)  
 20 through (9) as paragraphs (5) through  
 21 (11), respectively;

22 (iv) by inserting after paragraph (2)  
 23 the following:

24 “(3) such claim is for attorneys’ fees incurred  
 25 after the entry of the order for relief under this title,



1       except to the extent permitted under section 503 or  
2       506 of this title;

3               “(4) notwithstanding section 506(b), such claim  
4       is for a fee incurred under section 1930(b) of title  
5       28;”;

6                       (v) in paragraph (10), as so redesign-  
7       nated, by striking “or” at the end; and

8                       (vi) in paragraph (11), as so redesign-  
9       nated—

10                      (I) by striking “except that—”  
11                      and all that follows through “a claim  
12                      of a governmental unit” and inserting  
13                      “except that a claim of a govern-  
14                      mental unit”;

15                      (II) by striking “provide; and”  
16                      and inserting “provide.”; and

17                      (III) by striking subparagraph  
18                      (B);

19                      (B) by striking subsection (k);

20                      (C) by redesignating subsections (d), (e),  
21                      (f), (g), (h), (i), and (j) as subsections (e), (f),  
22                      (g), (h), (i), (j), and (k), respectively;

23                      (D) by inserting after subsection (c) the  
24       following:

1       “(d) The court shall, after notice and a hearing, dis-  
 2 allow any claim if the creditor, an affiliate of the creditor,  
 3 an agent of the creditor, a direct or indirect transferor  
 4 of the claim to the creditor, or an affiliate of such trans-  
 5 feror violated a Federal consumer financial law, as defined  
 6 in section 1002 of the Consumer Financial Protection Act  
 7 of 2010 (12 U.S.C. 5481), in connection with the claim  
 8 or an obligation that gave rise to the claim.”;

9               (E) in subsection (e), as so redesignated,  
 10 by striking “or 724(a) of this title” and insert-  
 11 ing “724(a) or 1041 of this title”;

12               (F) in subsection (f), as so redesignated, in  
 13 paragraph (2), by striking “or disallowed under  
 14 subsection (d)” and inserting “or disallowed  
 15 under subsection (d) or (e)”;

16               (G) in subsection (g), as so redesignated,  
 17 by striking “or disallowed under subsection (d)  
 18 or (e)” and inserting “or disallowed under sub-  
 19 section (d), (e), or (f)”;

20               (H) in subsection (h), as so redesignated—  
 21               (i) in paragraph (1)—

22                       (I) by striking “chapter 9, 11,  
 23 12, or 13” and inserting “chapter 9,  
 24 10, 11, or 12”; and

1 (II) by striking “or disallowed  
2 under subsection (d) or (e)” and in-  
3 serting “or disallowed under sub-  
4 section (d), (e), or (f)”; and

5 (ii) in paragraph (2), by striking “or  
6 disallowed under subsection (d) or (e)” and  
7 inserting “or disallowed under subsection  
8 (d), (e), or (f)”; and

9 (I) in subsection (i), as so redesignated, by  
10 striking “or disallowed under subsection (d) or  
11 (e)” and inserting “or disallowed under sub-  
12 section (d), (e), or (f)”; and

13 (J) in subsection (j), as so redesignated, by  
14 striking “or disallowed under subsection (d) or  
15 (e)” and inserting “or disallowed under sub-  
16 section (d), (e), or (f)”; and

17 (K) by adding at the end the following:

18 “(l)(1) The court shall grant judgment against the  
19 creditor and in favor of the estate for costs and reasonable  
20 attorneys’ fees—

21 “(A) if—

22 “(i) a claim is disallowed under subsection  
23 (b) because the debt from which it arises is not  
24 within the applicable statutory limitations pe-  
25 riod; and

1           “(ii) the creditor did not take reasonable  
2           actions to form a good faith belief that the debt  
3           on which it is based is within the applicable  
4           statutory limitations period; or

5           “(B) if a claim is disallowed under subsection  
6           (d).

7           “(2) The estate may offset the liability of a creditor  
8           under this subsection against any distribution otherwise  
9           to be made to the creditor.

10          “(3) The remedy provided by this subsection shall not  
11          be exclusive of other remedies available to the debtor or  
12          the estate.”.

13               (2) CONFORMING AMENDMENTS.—

14               (A) Section 101 of title 11, United States  
15               Code, is amended in paragraph (12)(B), as re-  
16               designated by this section, by striking “502(f),  
17               502(g), 502(h) or 502(i)” and inserting “sub-  
18               section (g), (h), (i), or (j) of section 502”.

19               (B) Section 501(d) of title 11, United  
20               States Code, is amended by striking “in section  
21               502(e)(2), 502(f), 502(g), 502(h) or 502(i)”  
22               and inserting “in subsection (f)(2), (g), (h), (i),  
23               or (j) of section 502”.

24               (C) Section 503(b) of title 11, United  
25               States Code, is amended—

1 (i) in the matter preceding paragraph  
2 (1), by striking “section 502(f)” and in-  
3 serting “section 502(g)”; and

4 (ii) in paragraph (7), by striking “sec-  
5 tion 502(b)(6)” and inserting “section  
6 502(b)(8)”.

7 (D) Section 506(d)(1) of title 11, United  
8 States Code, is amended by striking “section  
9 502(b)(5) or 502(e)” and inserting “subsection  
10 (b)(7) or (f) of section 502”.

11 (E) Section 507(a)(3) of title 11, United  
12 States Code, is amended by striking “section  
13 502(f)” and inserting “section 502(g)”.

14 (F) Section 509(b)(1)(B) of title 11,  
15 United States Code, is amended by striking  
16 “section 502(e)” and inserting “section  
17 502(f)”.

18 (G) Section 544(b)(1) of title 11, United  
19 States Code, is amended by striking “section  
20 502(e)” and inserting “section 502(f)”.

21 (H) Section 929 of title 11, United States  
22 Code, is amended by striking “section  
23 502(b)(6)” and inserting “section 502(b)(8)”.

1 (I) Section 1114(j) of title 11, United  
 2 States Code, is amended by striking “section  
 3 502(b)(7)” and inserting “section 502(b)(9)”.

4 (J) Section 1141(d)(1)(A) of title 11,  
 5 United States Code, is amended by striking  
 6 “section 502(g), 502(h), or 502(i)” and insert-  
 7 ing “subsection (h), (i), or (j) of section 502”.

8 (K) Section 1232(d)(4) of title 11, United  
 9 States Code, is amended by striking “or dis-  
 10 allowed under subsection (d) or (e) of section  
 11 502” and inserting “or disallowed under sub-  
 12 section (d), (e), or (f) of section 502”.

13 (L) Section 311 of PROMESA (48 U.S.C.  
 14 2171) is amended by striking “502(b)(6)” and  
 15 inserting “502(b)(8)”.

16 (bb) DETERMINATION OF SECURED STATUS.—Sec-  
 17 tion 506 of title 11, United States Code, is amended—

18 (1) in subsection (a), by striking paragraph (2)  
 19 and inserting the following:

20 “(2) In a case under chapter 10 of this title,  
 21 any interest of a creditor in property of the debtor  
 22 or the estate shall be determined by its realizable  
 23 value as of the date of the filing of the petition.”;

24 (2) in subsection (b), by striking “interest on  
 25 such claim,” and all that follows and inserting “in-

1       terest on such claim and any reasonable fees, costs,  
 2       or charges provided for under the agreement or ap-  
 3       plicable nonbankruptcy law under which such claim  
 4       arose, with post-petition interest credited to the al-  
 5       lowed secured claim before other fees, costs, or  
 6       charges.”; and

7           (3) in subsection (d), in the matter preceding  
 8       paragraph (1) by striking “allowed secured claim,”  
 9       and inserting “allowed secured claim pursuant to  
 10      subsection (a),”.

11      (cc) PRIORITIES.—

12           (1) IN GENERAL.—Section 507(a) of title 11,  
 13      United States Code, is amended—

14           (A) in paragraph (1)—

15                   (i) by striking subparagraph (B);

16                   (ii) by redesignating subparagraph  
 17                   (C) as subparagraph (B); and

18                   (iii) in subparagraph (B), as so redes-  
 19                   ignated—

20                           (I) by striking “701, 702, 703,  
 21                           1104, 1202, or 1302” and inserting  
 22                           “1001, 1104, or 1202”; and

23                           (II) by striking “subparagraphs  
 24                           (A) and (B)” and inserting “subpara-  
 25                           graph (A)”; and

1 (B) in paragraph (7), by inserting “includ-  
2 ing the purchase of a store gift card,” after  
3 “purchase of services,”.

4 (2) CONFORMING AMENDMENTS.—

5 (A) Section 724(b)(2) of title 11, United  
6 States Code, is amended by striking “section  
7 507(a)(1)(C)” and inserting “section  
8 507(a)(1)(B)”.

9 (B) Section 1222(a)(4) of title 11, United  
10 States Code, is amended—

11 (i) in paragraph (3), by adding “and”  
12 at the end;

13 (ii) by striking paragraph (4); and

14 (iii) by redesignating paragraph (5) as  
15 paragraph (4).

16 (dd) RATE OF INTEREST ON TAX CLAIMS.—Section  
17 511 of title 11, United States Code, is amended by adding  
18 at the end the following:

19 “(c) This section shall not apply in a case under  
20 chapter 10 of this title.”.

21 (ee) DEBTOR’S DUTIES.—Section 521, of title 11,  
22 United States Code, is amended by striking subsections  
23 (a) through (j) and inserting the following:

24 “(a) The debtor shall—

25 “(1) file—



1 “(A) a list of creditors; and

2 “(B) unless the court orders otherwise—

3 “(i) a schedule of assets and liabil-  
4 ities;

5 “(ii) a schedule of current income and  
6 current expenditures;

7 “(iii) a statement of the debtor’s fi-  
8 nancial affairs;

9 “(iv) a statement disclosing any rea-  
10 sonably anticipated increase in income or  
11 expenditures over the 12-month period fol-  
12 lowing the date of the filing of the petition;  
13 and

14 “(v) if the debtor’s annual income cre-  
15 ates or increases the minimum payment  
16 obligation as described in clause (ii) or (iii)  
17 of section 101(54)(B) of this title—

18 “(I) a statement of the debtor’s  
19 annual income; and

20 “(II) the calculations that deter-  
21 mine the amount by which the debt-  
22 or’s annual income creates or in-  
23 creases the minimum payment obliga-  
24 tion;

1           “(2) if a trustee is serving in the case, cooper-  
2           ate with the trustee as necessary to enable the trust-  
3           ee to perform the trustee’s duties under this title;

4           “(3) appear at the hearing required under sec-  
5           tion 524(d) of this title; and

6           “(4) unless a trustee is serving in the case, con-  
7           tinue to perform the obligations required of the ad-  
8           ministrator (as defined in section 3 of the Employee  
9           Retirement Income Security Act of 1974) of an em-  
10          ployee benefit plan if at the time of the commence-  
11          ment of the case the debtor (or any entity des-  
12          ignated by the debtor) served as such administrator.

13          “(b) In a case under chapter 10 of this title:

14               “(1) Not later than 7 days before the date first  
15               set for the first meeting of creditors, the debtor shall  
16               provide to the trustee documentation that establishes  
17               the debtor’s income in one or more of the following  
18               forms:

19                       “(A) One or more payment advices, issued  
20                       within 60 days before the date of the filing of  
21                       the petition, showing the debtor’s year-to-date  
22                       income.

23                       “(B) A copy of the Federal income tax re-  
24                       turn required under applicable law (or at the  
25                       election of the debtor, a transcript of such re-

1 turn) for the most recent tax year ending im-  
2 mediately before the commencement of the case  
3 and for which a Federal income tax return was  
4 filed.

5 “(C) A W-2 form issued by each employer  
6 for the tax year preceding the year the petition  
7 is filed.

8 “(D) Other evidence of payment received  
9 within 60 days before the date of the filing of  
10 the petition that establishes the debtor’s in-  
11 come.

12 “(2) If the debtor’s annual income creates or  
13 increases the minimum payment obligation as de-  
14 scribed in clause (ii) or (iii) of section 101(54)(B)  
15 of this title, the debtor shall, to the extent not al-  
16 ready provided under paragraph (1), provide to the  
17 trustee as documentation of income—

18 “(A) a copy of the Federal income tax re-  
19 turn required under applicable law (or at the  
20 election of the debtor, a transcript of such re-  
21 turn) for the most recent tax year ending im-  
22 mediately before the commencement of the case  
23 and for which a Federal income tax return was  
24 required and filed; and

1           “(B) copies of all payment advices or other  
2           evidence of payment received within 60 days be-  
3           fore the date of the filing of the petition, by the  
4           debtor from any employer of the debtor.

5           “(3) Notwithstanding paragraphs (1) and (2),  
6           the debtor shall provide additional documentation of  
7           income if requested by the trustee or the United  
8           States trustee upon reasonable grounds to believe  
9           the debtor’s actual income is greater than disclosed  
10          and would create or increase the minimum payment  
11          obligation as described in clause (ii) or (iii) of sec-  
12          tion 101(54)(B) of this title.

13          “(c) If the schedule of current income required by  
14          subsection (a)(1)(B)(ii) discloses income that is not more  
15          than 80 percent of the amount of annual income that  
16          would trigger the documentation obligations in subsection  
17          (b)(2) and in the absence of actual knowledge of facts to  
18          the contrary, an attorney for the debtor or a bankruptcy  
19          petition preparer for the debtor under section 110 of this  
20          title may rely on the schedule of current income to deter-  
21          mine that—

22                 “(1) the documentation requirements of sub-  
23          section (b)(2) do not apply; and

1           “(2) the debtor is not required to file the state-  
2           ment of annual income required by subsection  
3           (a)(1)(B)(v).

4           “(d) In a case under chapter 7 or 11:

5           “(1) The debtor shall provide—

6                   “(A) not later than 7 days before the date  
7                   first set for the first meeting of creditors, to the  
8                   trustee a copy of the Federal income tax return  
9                   required under applicable law (or at the election  
10                  of the debtor, a transcript of such return) for  
11                  the most recent tax year ending immediately be-  
12                  fore the commencement of the case and for  
13                  which a Federal income tax return was filed;  
14                  and

15                   “(B) at the same time the debtor complies  
16                   with subparagraph (A), a copy of such return  
17                   (or if elected under subparagraph (A), such  
18                   transcript) to any creditor that timely requests  
19                   such copy.

20           “(2) If the debtor fails to comply with subpara-  
21           graph (A) or (B) of paragraph (1), the court shall  
22           dismiss the case unless the debtor demonstrates that  
23           the failure to so comply is due to circumstances be-  
24           yond the debtors’ control.

1           “(3) If a creditor requests a copy of such tax  
2       return or such transcript and if the debtor fails to  
3       provide a copy of such tax return or such transcript  
4       to such creditor at the time the debtor provides such  
5       tax return or such transcript to the trustee, the  
6       court shall dismiss the case unless the debtor dem-  
7       onstrates that the failure to provide a copy of such  
8       tax return or such transcript is due to circumstances  
9       beyond the debtor’s control.

10       “(e) Failure by the debtor to disclose a cause of ac-  
11      tion in a schedule required to be filed under this section  
12      shall not alone be grounds to dismiss a lawsuit brought  
13      to enforce the cause of action.

14       “(f) If requested by the United States trustee or by  
15      the trustee, the debtor shall provide—

16           “(1) a document that establishes the identity of  
17       the debtor, including a driver’s license, passport, or  
18       other document that contains a photograph of the  
19       debtor; or

20           “(2) such other personal identifying information  
21       relating to the debtor that establishes the identity of  
22       the debtor.

23       “(g) At the request of the court, the trustee, or the  
24      United States trustee, a debtor under chapter 11 who is  
25      an individual shall file with the court—

1           “(1) at the same time filed with the taxing au-  
2           thority, a copy of each Federal income tax return re-  
3           quired under applicable law (or at the election of the  
4           debtor, a transcript of such tax return) with respect  
5           to each tax year of the debtor ending while the case  
6           is pending under such chapter;

7           “(2) at the same time filed with the taxing au-  
8           thority, each Federal income tax return required  
9           under applicable law (or at the election of the debt-  
10          or, a transcript of such tax return) that had not  
11          been filed with such authority as of the date of the  
12          commencement of the case and that was subse-  
13          quently filed for any tax year of the debtor ending  
14          in the 3-year period ending on the date of the com-  
15          mencement of the case; and

16          “(3) a copy of each amendment to any Federal  
17          income tax return or transcript filed with the court  
18          under paragraph (1) or (2).

19          “(h)(1) Notwithstanding any other provision of this  
20          title, if the debtor fails to file a tax return that becomes  
21          due after the commencement of the case or to properly  
22          obtain an extension of the due date for filing such return,  
23          the taxing authority may request that the court enter an  
24          order converting or dismissing the case.

1       “(2) If the debtor does not file the required return  
 2 or obtain the extension referred to in paragraph (1) within  
 3 90 days after a request is filed by the taxing authority  
 4 under that paragraph, the court shall convert or dismiss  
 5 the case, whichever is in the best interests of creditors and  
 6 the estate.”.

7       (ff) EXEMPTIONS.—

8           (1) IN GENERAL.—Section 522 of title 11,  
 9 United States Code, is amended by striking sub-  
 10 sections (a) through (q) and inserting the following:

11       “(a) In this section—

12           “(1) the term ‘conforming loan limit’ means  
 13 that applicable limitation for the debtor’s county of  
 14 residence governing the maximum original principal  
 15 obligation for a mortgage secured by a single-family  
 16 residence, as determined and adjusted annually  
 17 under section 302(b)(2) of the Federal National  
 18 Mortgage Association Charter Act (12 U.S.C.  
 19 1717(b)(2)) and section 305(a)(2) of the Federal  
 20 Home Loan Mortgage Corporation Act (12 U.S.C.  
 21 1454(a)(2));

22           “(2) the term ‘dependent’ includes spouse,  
 23 whether or not actually dependent; and

24           “(3) the term ‘value’ means value—



1           “(A) as of the date of the filing of the peti-  
2           tion; or

3           “(B) with respect to property that becomes  
4           property of the estate after such date, as of the  
5           date such property becomes property of the es-  
6           tate.

7           “(b)(1) Notwithstanding section 541 of this title, an  
8           individual debtor may elect to exempt from property of  
9           the estate either the property listed in paragraph (2) or,  
10          in the alternative, the property listed in paragraph (3).

11          “(2)(A) The property listed in this paragraph is the  
12          following:

13               “(i) The debtor’s interest in the debtor’s prin-  
14               cipal residence, not to exceed—

15                       “(I) 75 percent of the conforming loan  
16                       limit, if the debtor is age 65 or older on the  
17                       date of the petition not to exceed not to exceed;  
18                       and

19                       “(II) 50 percent of the conforming loan  
20                       limit in any other case.

21               “(ii) The debtor’s aggregate interest, unlimited  
22               in amount except as provided in subparagraph (B),  
23               in the following:

24                       “(I) Professionally prescribed health aids  
25                       for the debtor or a dependent of the debtor.

1           “(II) The debtor’s right to receive, or  
2           property that is traceable to—

3                   “(aa) a social security benefit, rail-  
4                   road retirement benefit, government pen-  
5                   sion or retirement benefit, unemployment  
6                   compensation, or a local public assistance  
7                   benefit;

8                   “(bb) a veterans’ benefit;

9                   “(cc) a disability, illness, or unemploy-  
10                  ment benefit;

11                  “(dd) alimony, support, or separate  
12                  maintenance;

13                  “(ee) a payment under a stock bonus,  
14                  pension, profit sharing, annuity, or similar  
15                  plan or contract on account of illness, dis-  
16                  ability, death, age, or length of service, un-  
17                  less—

18                   “(AA) such plan or contract was  
19                   established by or under the auspices  
20                   of an insider that employed the debtor  
21                   at the time the debtor’s rights under  
22                   such plan or contract arose;

23                   “(BB) such payment is on ac-  
24                   count of age or length of service; and

1 “(CC) such plan or contract does  
2 not qualify under section 401(a),  
3 403(a), 403(b), or 408 of the Internal  
4 Revenue Code of 1986;

5 “(ff) an award under a crime victim’s  
6 reparation law;

7 “(gg) a payment on account of the  
8 wrongful death of an individual of whom  
9 the debtor was a dependent, except to the  
10 extent that such payment is for punitive  
11 damages;

12 “(hh) a payment under a life insur-  
13 ance contract that insured the life of an in-  
14 dividual of whom the debtor was a depend-  
15 ent on the date of such individual’s death;

16 “(ii) a payment on account of per-  
17 sonal bodily injury, pain and suffering, or  
18 compensation for actual pecuniary loss, of  
19 the debtor or an individual of whom the  
20 debtor is a dependent, except to the extent  
21 that such payment is for punitive damages;

22 “(jj) a payment in compensation of  
23 loss of future earnings of the debtor or an  
24 individual of whom the debtor is or was a  
25 dependent;

1           “(kk) retirement funds, including a  
2           direct transfer of retirement funds from a  
3           fund or account that is exempt from tax-  
4           ation under section 401, 403, 408, 408A,  
5           414, 457, or 501(a) of the Internal Rev-  
6           enue Code of 1986, under section  
7           401(a)(31) of the Internal Revenue Code  
8           of 1986, or otherwise, or a distribution  
9           that qualifies as an eligible rollover dis-  
10          tribution within the meaning of section  
11          402(c) of the Internal Revenue Code of  
12          1986 or has been distributed from a fund  
13          or account that is exempt from taxation  
14          under section 401, 403, 408, 408A, 414,  
15          457, or 501(a) of the Internal Revenue  
16          Code of 1986 and to the extent allowed by  
17          law is deposited in such a fund or account  
18          not later than 60 days after the distribu-  
19          tion of such amount, to the extent that  
20          those funds are or were in a fund or ac-  
21          count that is exempt from taxation under  
22          section 401, 403, 408, 408A, 414, 457, or  
23          501(a) of the Internal Revenue Code of  
24          1986; or

1                   “(ll) a tax credit for earned income  
2                   under section 32 of the Internal Revenue  
3                   Code of 1986.

4                   “(iii) The debtor’s interest in any other prop-  
5                   erty up to \$35,000 in aggregate value.

6                   “(B)(i) The court on its own motion, or upon motion  
7                   by the trustee or United States trustee, may limit the  
8                   amount property exempt under item (dd), (ee), (hh), (jj),  
9                   or (kk) of subparagraph (A)(ii)(II) after notice and hear-  
10                  ing if it determines that such property is manifestly un-  
11                  necessary for the support of the debtor or the debtor’s de-  
12                  pendents.

13                  “(ii) There shall be a rebuttable presumption that ag-  
14                  gregate value of property described in any such item in  
15                  excess of \$1,500,000 is manifestly unnecessary for the  
16                  support of the debtor or the debtor’s dependents.

17                  “(C)(i) If the debtor has a dependent, the debtor may  
18                  double the exemption amounts under subparagraph  
19                  (A)(iii) unless the dependent is filing a concurrent petition  
20                  or has filed a petition within the previous 6 years.

21                  “(ii) The debtor may increase the amounts exempt  
22                  under subparagraph (A)(iii) in accordance with the num-  
23                  ber of additional dependents not claimed under clause (i)  
24                  of this subparagraph by—

1           “(I) 25 percent for the first additional depend-  
2       ent;

3           “(II) an additional 10 percent for the second  
4       additional dependent;

5           “(III) an additional 5 percent for the third ad-  
6       ditional dependent; and

7           “(IV) an additional 1 percent for each addi-  
8       tional dependent beyond the third.

9       “(iii) If a debtor has been claimed as dependent  
10     under this subparagraph on a previous debtor’s petition  
11     within the past 6 years, the court may reduce the amount  
12     of such debtor’s exemptions under this subparagraph as  
13     the equities of the case require. There shall be a rebuttable  
14     presumption that an intervening change in family cir-  
15     cumstances, such as separation or divorce, shall not re-  
16     quire such a reduction.

17       “(iv) If a debtor has a dependent that has been  
18     claimed on another debtor’s petition under this subpara-  
19     graph within the past 6 years, the court may reduce the  
20     amount of the debtor’s exemptions under this subpara-  
21     graph as the equities of the case require. There shall be  
22     a rebuttable presumption that an intervening change in  
23     family circumstances, such as separation or divorce, shall  
24     not require such a reduction.

1       “(v) When claiming property as exempt from the es-  
2     tate under this subparagraph, the debtor shall indicate on  
3     an official form prescribed by the Judicial Conference of  
4     the United States in accordance with the Federal Rules  
5     of Bankruptcy Procedure whether any of the debtor’s de-  
6     pendents have filed for bankruptcy within the previous 6  
7     years or whether this information is unknown.

8       “(3)(A) The property listed in this paragraph is the  
9     following:

10           “(i) Subject to subparagraphs (B) through (E),  
11         any property that is exempt under Federal law,  
12         other than paragraph (2) of this subsection, or State  
13         or local law that is applicable on the date of the fil-  
14         ing of the petition to the place in which the debtor’s  
15         domicile has been located for the 730 days imme-  
16         diately preceding the date of the filing of the peti-  
17         tion or if the debtor’s domicile has not been located  
18         in a single State for such 730-day period, the place  
19         in which the debtor’s domicile was located for 180  
20         days immediately preceding the 730-day period or  
21         for a longer portion of such 180-day period than in  
22         any other place.

23           “(ii) Any interest in property in which the debt-  
24         or had, immediately before the commencement of the  
25         case, an interest as a tenant by the entirety or joint

1       tenant to the extent that such interest as a tenant  
2       by the entirety or joint tenant is exempt from proc-  
3       ess under applicable nonbankruptcy law.

4           “(iii) Retirement funds to the extent that those  
5       funds are in a fund or account that is exempt from  
6       taxation under section 401, 403, 408, 408A, 414,  
7       457, or 501(a) of the Internal Revenue Code of  
8       1986.

9       “(B)(i) Notwithstanding any contrary provision of  
10      nonbankruptcy law, the exempt amount under this para-  
11      graph of any homestead acquired by the debtor within the  
12      1-year period immediately preceding the date of the filing  
13      of the petition shall be limited to the exempt amount of  
14      value of the debtor’s previous principal residence.

15       “(ii) If the value of the debtor’s interest in property  
16      claimed as a principal residence under this paragraph ex-  
17      ceeds \$1,000,000, clause (i) applies to a principal resi-  
18      dence acquired within the 3-year period immediately pre-  
19      ceding the date of filing of the petition.

20       “(C) The value of an interest in the debtor’s principal  
21      residence shall be reduced to the extent that such value  
22      is attributable to any portion of any property that the  
23      debtor disposed of in the 10-year period ending on the  
24      date of the filing of the petition with the intent to hinder,  
25      delay, or defraud a creditor and that the debtor could not



1 exempt, or that portion that the debtor could not exempt  
2 under this subsection if on such date the debtor had held  
3 the property so disposed of.

4 “(D)(i) Except as provided in clause (ii) of this sub-  
5 paragraph and sections 544 and 548, as a result of elect-  
6 ing to exempt property under State or local law under sub-  
7 paragraph (A)(i), a debtor may not exempt any amount  
8 of interest that was acquired by the debtor during the 4-  
9 year period preceding the date of the filing of the petition  
10 that exceeds in the aggregate \$170,000 in value in the  
11 debtor’s principal residence.

12 “(ii)(I) The limitation under clause (i) shall not apply  
13 to an exemption claimed under subparagraph (A)(i) by a  
14 family farmer for the principal residence of such farmer.

15 “(II) For purposes of clause (i), any amount of such  
16 interest does not include any interest transferred from a  
17 debtor’s previous principal residence (which was acquired  
18 prior to the beginning of such 4-year period) into the debt-  
19 or’s current principal residence, if the debtor’s previous  
20 and current residences are located in the same State.

21 “(E)(i) A debtor electing to exempt property under  
22 this paragraph may not exempt any amount of an interest  
23 in the debtor’s principal residence that exceeds in the ag-  
24 gregate \$170,000 if—

1           “(I) the court determines, after notice and a  
2           hearing, that the debtor has been convicted of a fel-  
3           ony (as defined in section 3156 of title 18), which  
4           under the circumstances demonstrates that the filing  
5           of the case was an abuse of the provisions of this  
6           title; or

7           “(II) the debtor owes a debt arising from—

8                   “(aa) any violation of the Federal securi-  
9                   ties laws (as defined in section 3(a)(47) of the  
10                   Securities Exchange Act of 1934), any State se-  
11                   curities laws, or any regulation or order issued  
12                   under Federal securities laws or State securities  
13                   laws;

14                   “(bb) fraud, deceit, or manipulation in a  
15                   fiduciary capacity or in connection with the  
16                   purchase or sale of any security registered  
17                   under section 12 or 15(d) of the Securities Ex-  
18                   change Act of 1934 or under section 6 of the  
19                   Securities Act of 1933;

20                   “(cc) any civil remedy under section 1964  
21                   of title 18;

22                   “(dd) for debts arising from a violation of  
23                   section 1979 of the Revised Statutes (42 U.S.C.  
24                   1983); or

1           “(ee) any criminal act, intentional tort, or  
2           willful or reckless misconduct that caused seri-  
3           ous physical injury or death to another indi-  
4           vidual in the preceding 5 years.

5           “(ii) Clause (i) shall not apply to the extent the  
6           amount of an interest in the debtor’s principal residence  
7           is reasonably necessary for the support of the debtor or  
8           any dependent of the debtor.

9           “(4)(A) For the purposes of item (kk) of paragraph  
10          (2)(A)(ii)(II) and clause (iii) of paragraph (3)(A), if the  
11          trustee, United States trustee, or court on its own motion  
12          objects to retirement funds’ status as exempt, and if those  
13          retirement funds are in a retirement fund or account that  
14          has received a favorable determination under section 7805  
15          of the Internal Revenue Code of 1986 and that determina-  
16          tion is in effect as of the date of the filing of the petition  
17          in a case under this title, those funds shall be presumed  
18          to be exempt from the estate.

19          “(B) If the retirement funds are in a retirement fund  
20          or account that has not received a favorable determination  
21          under such section 7805, those funds shall be exempt from  
22          the estate if the court determines that—

23                 “(i) no prior determination to the contrary has  
24                 been made by a court or the Internal Revenue Serv-  
25                 ice; and

1           “(ii)(I) the retirement fund is in substantial  
2           compliance with the applicable requirements of the  
3           Internal Revenue Code of 1986; or

4           “(II) the retirement fund fails to be in substan-  
5           tial compliance with the applicable requirements of  
6           the Internal Revenue Code of 1986 and the debtor  
7           is not materially responsible for that failure.

8           “(5)(A) A direct transfer of retirement funds from  
9   1 fund or account that is exempt from taxation under sec-  
10   tion 401, 403, 408, 408A, 414, 457, or 501(a) of the In-  
11   ternal Revenue Code of 1986, under section 401(a)(31)  
12   of the Internal Revenue Code of 1986, or otherwise, shall  
13   not cease to qualify for exemption under item (kk) of para-  
14   graph (2)(A)(ii)(II) or clause (iii) of paragraph (3)(A) by  
15   reason of such direct transfer.

16          “(B)(i) Any distribution that qualifies as an eligible  
17   rollover distribution within the meaning of section 402(c)  
18   of the Internal Revenue Code of 1986 or that is described  
19   in clause (ii) of this subparagraph shall not cease to qual-  
20   ify for exemption under item (kk) of paragraph  
21   (2)(A)(ii)(II) or clause (iii) of paragraph (3)(A) by reason  
22   of such distribution.

23          “(ii) A distribution described in this clause is an  
24   amount that—

1           “(I) has been distributed from a fund or ac-  
2           count that is exempt from taxation under section  
3           401, 403, 408, 408A, 414, 457, or 501(a) of the In-  
4           ternal Revenue Code of 1986; and

5           “(II) to the extent allowed by law, is deposited  
6           in such a fund or account not later than 60 days  
7           after the distribution of such amount.

8           “(6)(A) In joint cases filed under section 302 of this  
9           title and individual cases filed under section 301 or 303  
10          of this title by or against 2 debtors who are married to  
11          each other, and whose estates are ordered to be jointly  
12          administered under the Federal Rules of Bankruptcy Pro-  
13          cedure, the debtors shall be deemed to elect exempt prop-  
14          erty under paragraph (2) unless they both affirmatively  
15          elect to exempt property under paragraph (3).

16          “(B) In a joint case, the residence exemptions in sub-  
17          paragraphs (2)(A)(i) and (3)(A)(i) shall be allocated one-  
18          half each to each debtor.

19          “(C) The nonresidence exemptions in paragraphs  
20          (2)(A)(iii) and (3)(A)(iii) shall apply separately with re-  
21          spect to each debtor in a joint case.

22          “(c) Unless the case is dismissed, property exempted  
23          under this section is not liable during or after the case  
24          for any debt of the debtor that arose, or that is determined

1 under section 502 of this title as if such debt had arisen,  
2 before the commencement of the case, except—

3 “(1) a debt of a kind specified in paragraph (5)  
4 of section 523(a) (in which case, notwithstanding  
5 any provision of applicable nonbankruptcy law to the  
6 contrary, such property shall be liable for a debt of  
7 a kind specified in such paragraph); or

8 “(2) a debt secured by a lien that is—

9 “(A) not avoided under subsection (e) or  
10 (g) of this section or under section 544, 545,  
11 547, 548, or 549 of this title; and

12 “(B) not void under section 506(d) of this  
13 title.

14 “(d)(1) A waiver of an exemption executed in favor  
15 of a creditor that holds an unsecured claim against the  
16 debtor is unenforceable in a case under this title with re-  
17 spect to such claim against property that the debtor may  
18 exempt under subsection (b).

19 “(2) A waiver by the debtor of a power under sub-  
20 section (e) or (g) to avoid a transfer, under subsection (f)  
21 or (h) to exempt property, or under subsection (h) to re-  
22 cover property or to preserve a transfer, is unenforceable  
23 in a case under this title.

24 “(e)(1) Notwithstanding any waiver of exemptions,  
25 the debtor may avoid the fixing of a lien on an interest

1 of the debtor in property to the extent that such lien im-  
2 pairs an exemption to which the debtor would have been  
3 entitled under subsection (b), if such lien is—

4 “(A) a judicial lien, other than a judicial lien  
5 that secures a debt of a kind that is specified in sec-  
6 tion 523(a)(5); or

7 “(B) a nonpossessory, non-purchase-money se-  
8 curity interest in any personal, family, or household  
9 goods or in any implements, professional books, or  
10 tools, of the trade of the debtor or the trade of a  
11 dependent of the debtor.

12 “(2)(A) For the purposes of this subsection, a lien  
13 shall be considered to impair an exemption to the extent  
14 that the sum of—

15 “(i) the lien;

16 “(ii) all other liens on the property; and

17 “(iii) the amount of the exemption that the  
18 debtor could claim if there were no liens on the  
19 property, exceeds the value that the debtor’s interest  
20 in the property would have in the absence of any  
21 liens.

22 “(B) In the case of a property subject to more than  
23 1 lien, a lien that has been avoided shall not be considered  
24 in making the calculation under subparagraph (A) with  
25 respect to other liens.

1       “(C) This paragraph shall not apply with respect to  
2 a judgment arising out of a mortgage foreclosure.

3       “(f) Notwithstanding sections 550 and 551 of this  
4 title, the debtor may exempt under subsection (b) of this  
5 section property that the trustee recovers under section  
6 510(c)(2), 542, 543, 550, 551, or 553 of this title, to the  
7 extent that the debtor could have exempted such property  
8 under subsection (b) of this section if such property had  
9 not been transferred, if—

10           “(1)(A) such transfer was not a voluntary  
11 transfer of such property by the debtor; and

12           “(B) the debtor did not conceal such property;  
13 or

14           “(2) the debtor could have avoided such trans-  
15 fer under subsection (e)(1) of this section.

16       “(g) The debtor may avoid a transfer of property of  
17 the debtor or recover a setoff to the extent that the debtor  
18 could have exempted such property under subsection (f)(1)  
19 if the trustee had avoided such transfer, if—

20           “(1) such transfer is avoidable by the trustee  
21 under section 544, 545, 547, 548, 549, or 1041 of  
22 this title or recoverable by the trustee under section  
23 553 of this title; and

24           “(2) the trustee does not attempt to avoid such  
25 transfer.



1       “(h)(1) If the debtor avoids a transfer or recovers a  
 2       setoff under subsection (e) or (g), the debtor may recover  
 3       in the manner prescribed by, and subject to the limitations  
 4       of, section 550 of this title, the same as if the trustee had  
 5       avoided such transfer, and may exempt any property so  
 6       recovered under subsection (b).

7       “(2) Notwithstanding section 551 of this title, a  
 8       transfer avoided under section 544, 545, 547, 548, 549,  
 9       or 1041 of this title, under subsection (e) or (g) of this  
 10      section, or property recovered under section 553 of this  
 11      title, may be preserved for the benefit of the debtor to  
 12      the extent that the debtor may exempt such property  
 13      under subsection (f) of this section or paragraph (1) of  
 14      this subsection.

15      “(i) Notwithstanding subsections (f) and (h), the  
 16      debtor may exempt a particular kind of property under  
 17      subsections (f) and (h) only to the extent that the debtor  
 18      has exempted less property in value of such kind than that  
 19      to which the debtor is entitled under subsection (b).

20      “(j) Property that the debtor exempts under this sec-  
 21      tion is not liable for payment of any administrative ex-  
 22      pense except—

23               “(1) the aliquot share of the costs and expenses  
 24               of avoiding a transfer of property that the debtor ex-  
 25               empts under subsection (f), or of recovery of such

1 property, that is attributable to the value of the por-  
 2 tion of such property exempted in relation to the  
 3 value of the property recovered; and

4 “(2) any costs and expenses of avoiding a  
 5 transfer under subsection (e) or (g), or of recovery  
 6 of property under subsection (h)(1), that the debtor  
 7 has not paid.

8 “(k)(1)(A) The debtor shall file a list of property that  
 9 the debtor claims as exempt under subsection (b).

10 “(B) If the debtor does not file such a list, a depend-  
 11 ent of the debtor may file such a list, or may claim prop-  
 12 erty as exempt from property of the estate on behalf of  
 13 the debtor.

14 “(2) Unless a party in interest objects, the property  
 15 claimed as exempt on such list is exempt.”.

16 (2) CONFORMING AMENDMENT.—

17 (A) Section 349(b)(1)(B) of title 11,  
 18 United States Code, is amended by striking  
 19 “522(i)(1),” and inserting “522(h)(i),”.

20 (B) Subsection (e) of section 502 of title  
 21 11, United States Code, as so redesignated by  
 22 subsection (aa) of this section, is amended—

23 (i) by striking “section 522(f),  
 24 522(h),” and inserting “section 522(e),  
 25 522(g),”; and

1 (ii) by striking “section 522(i)” and  
 2 inserting “section 522(h)”.

3 (gg) EXCEPTIONS TO DISCHARGE.—Section 523 of  
 4 title 11, United States Code, is amended—

5 (1) in subsection (a)—

6 (A) in the matter preceding paragraph

7 (1)—

8 (i) by striking “727,”; and

9 (ii) by striking “1328(b)” and insert-  
 10 ing “1031(a)”;

11 (B) in paragraph (1)(B), in the matter  
 12 preceding clause (i), by inserting “subject to  
 13 subsection (f),” before “with respect”;

14 (C) in paragraph (2)—

15 (i) in subparagraph (A), by adding  
 16 “or” at the end;

17 (ii) in subparagraph (B), by striking  
 18 “or” at the end; and

19 (iii) by striking subparagraph (C);

20 (D) in paragraph (3)—

21 (i) in subparagraph (A), by striking  
 22 “(4), or (6)” and inserting “(4), (6), or  
 23 (7)”;

1 (ii) in subparagraph (B), by striking  
2 “(4), or (6)” and inserting “(4), (6), or  
3 (7)”;

4 (E) by striking paragraph (7) and insert-  
5 ing the following:

6 “(7) to the extent such debt is for a fine, pen-  
7 alty, or restitution—

8 “(A) that is incurred in a criminal pro-  
9 ceeding and specifically designated as a fine,  
10 penalty, or restitution in the sentencing order  
11 upon the debtor’s conviction;

12 “(B) that is not—

13 “(i) for the cost of prosecuting the  
14 debtor, including the cost of public defense,  
15 incarceration, probation, or any diversion  
16 program;

17 “(ii) for the cost of operating the  
18 criminal justice system or funding govern-  
19 ment functions;

20 “(iii) for the cost of collecting such  
21 debt; or

22 “(iv) a fee, surcharge, assessment, or  
23 interest or collection charge imposed in  
24 connection with such debt; and

1           “(C) only if the creditor demonstrates that  
2           the debtor has substantial financial resources  
3           that permit the debtor to pay all or a signifi-  
4           cant portion of the fine, penalty, or restitution  
5           for—

6                   “(i) a fine, penalty, or restitution with  
7                   respect to which the petition is filed on or  
8                   after the date that is 3 years after the  
9                   later of—

10                          “(I) the date of the sentencing  
11                          order; or

12                          “(II) the date on which the debt-  
13                          or was released from incarceration  
14                          pursuant to the sentencing order; or

15                          “(ii) a debt that is a tax penalty—

16                               “(I) relating to a tax of a kind  
17                               not specified in paragraph (1) of this  
18                               subsection; or

19                               “(II) imposed with respect to a  
20                               transaction or event that occurred be-  
21                               fore 3 years before the date of the fil-  
22                               ing of the petition;”;

23                          (F) by striking paragraph (8);

24                          (G) by redesignating paragraph (9) as  
25                          paragraph (8);

1 (H) by inserting after paragraph (8), as so  
2 redesignated, the following:

3 “(9) that was or could have been listed or  
4 scheduled by the debtor in a prior case concerning  
5 the debtor under this title in which the debtor  
6 waived a discharge, or was denied a discharge under  
7 section 727(a) (2), (3), (4), (5), (6), or (7), as in ef-  
8 fect on the day before the date of enactment of the  
9 Consumer Bankruptcy Reform Act of 2022, or  
10 under section 1031, unless such debt was the subject  
11 of a written waiver of discharge and the court has  
12 made the determination required by section  
13 1031(b)(3)(B);”;

14 (I) by striking paragraphs (14) and (14A);

15 (J) by redesignating paragraph (14B) as  
16 paragraph (14);

17 (K) in paragraph (15), by inserting before  
18 the semicolon at the end “, except for a debt  
19 arising from an obligation to pay, or to hold a  
20 former spouse harmless from, joint debts in-  
21 curred by the debtor and the debtor’s former  
22 spouse”;

23 (L) in paragraph (16), by inserting “and  
24 the debtor or the trustee possesses, occupies, or  
25 uses the property” after “such lot”;

1 (M) by striking paragraph (17);

2 (N) by redesignating paragraph (18) as  
3 paragraph (17);

4 (O) in paragraph (17), in the matter fol-  
5 lowing subparagraph (B), by striking “or” at  
6 the end; and

7 (P) by striking paragraph (19) and insert-  
8 ing the following:

9 “(18) in a case under chapter 10, for a debt for  
10 compensation owed on the date of the petition to the  
11 debtor’s attorney under an agreement described in  
12 section 329(c); or

13 “(19) for debts arising from a violation of sec-  
14 tion 1979 of the Revised Statutes (42 U.S.C.  
15 1983).”;

16 (2) in subsection (b), by striking “(a)(1),  
17 (a)(3), or (a)(8)” and inserting “(a)(1) or (a)(3)”;

18 (3) in subsection (c), by adding at the end the  
19 following:

20 “(3) Notwithstanding subsection (a) of this section,  
21 the debtor shall be discharged from a debt of the kind  
22 specified in subsection (a)(7) of this section if the sen-  
23 tencing order fails to separately list any fees, costs, assess-  
24 ments or surcharges in addition to any fine, penalty, or  
25 restitution, and such fees, costs, assessments, or sur-

1 charges are authorized to be assessed under nonbank-  
2 ruptcy law for the particular crime committed by the debt-  
3 or, unless—

4 “(A) the sentencing order expressly states that  
5 no fees, costs, assessments or surcharges are as-  
6 sessed against the debtor in addition to any fine,  
7 penalty, or restitution; or

8 “(B) on request of the creditor to whom such  
9 debt is owed, and after notice and a hearing, the  
10 court determines such debt shall not be discharged  
11 under subsection (a)(7) of this section.”; and

12 (4) by adding at the end the following:

13 “(f) For purposes of subparagraph (B) of subsection  
14 (a)(1), a return—

15 “(1) must satisfy the requirements of applicable  
16 nonbankruptcy law;

17 “(2) must have been filed in a manner per-  
18 mitted by applicable nonbankruptcy law regardless  
19 of whether it was filed before or after any applicable  
20 deadline;

21 “(3) includes a return prepared pursuant to  
22 section 6020(a) of the Internal Revenue Code of  
23 1986, or similar State or local law, or a written stip-  
24 ulation to a judgment entered by a nonbankruptcy  
25 tribunal; and



1 “(4) does not include a return made pursuant  
2 to section 6020(b) of the Internal Revenue Code of  
3 1986, or similar State or local law.”.

4 (hh) EFFECT OF DISCHARGE.—Section 524 of title  
5 11, United States Code, is amended—

6 (1) in subsection (a)—

7 (A) in paragraph (1), by striking “727,  
8 944, 1141, 1192, 1228, or 1328” and inserting  
9 “sections 727 or 1328, as in effect on the day  
10 before the date of enactment of the Consumer  
11 Bankruptcy Reform Act of 2022, or sections  
12 944, 1031, 1141, 1192, or 1228”; and

13 (B) in paragraph (3), by striking “1192,  
14 1228(a)(1), or 1328(a)(1)” and inserting  
15 “1031, 1192, or 1228(a)(1), or section  
16 1328(a)(1), as in effect on the day before the  
17 date of enactment of the Consumer Bankruptcy  
18 Reform Act of 2022”;

19 (2) in subsection (b)(2)(B), by striking “727”  
20 and inserting “1031”;

21 (3) by striking subsection (c) and inserting the  
22 following:

23 “(c)(1) A debtor that receives a discharge under sec-  
24 tion 1031, or section 727 or 1328, as in effect on the day  
25 before the date of enactment of the Consumer Bankruptcy

1 Reform Act of 2022, the trustee, the United States trust-  
2 ee, or the bankruptcy administrator may bring a civil ac-  
3 tion against a person that knows or should know that the  
4 discharge injunction is applicable and has intentionally or  
5 negligently commenced or continued any action described  
6 in subsection (a).

7 “(2) An action under paragraph (1) shall be com-  
8 menced not later than 1 year after the date on which the  
9 discharged debtor, the trustee, or the United States trust-  
10 ee discovers that a person has commenced or continued  
11 any action described in subsection (a).

12 “(3) In an action under paragraph (1), the court may  
13 award relief consistent with this title if the court finds  
14 that a person has—

15 “(A) engaged in conduct in violation of this sec-  
16 tion or of any provision of this title; or

17 “(B) engaged in fraudulent, unfair, deceptive,  
18 or abusive conduct with respect to the debtor or the  
19 case.

20 “(4) Subject to paragraph (6), in a successful action  
21 under paragraph (1)—

22 “(A) the court—

23 “(i) shall award to a discharged debtor in-  
24 jured by a violation of subsection (a)—

1                   “(I) actual damages, including dam-  
2                   ages for emotional distress; and

3                   “(II) reasonable costs and attorneys’  
4                   fees; and

5                   “(ii) if the trustee or the United States  
6                   trustee is a prevailing party in the action, shall  
7                   award to the trustee or the United States trust-  
8                   ee—

9                   “(I) reasonable costs and attorney  
10                  fees; and

11                  “(II) a fee equal to 3 times the  
12                  amount sought to be collected by the per-  
13                  son found to be in violation of subsection  
14                  (a); and

15                  “(B) the court may award punitive damages, as  
16                  appropriate.

17                  “(5)(A) If the court awards punitive damages under  
18                  paragraph (4) in an action brought or joined by the trust-  
19                  ee, the court may award between 10 percent and 25 per-  
20                  cent of the punitive damages to the trustee who brought  
21                  or joined the action.

22                  “(B) Any punitive damages under this subsection  
23                  shall be in addition to the compensation set out in section  
24                  326.

1       “(6) If the commencement or continuation of any ac-  
 2       tion described in subsection (a) was taken by a person in  
 3       the good faith belief that subsection (a) did not apply to  
 4       the debt, and the action was withdrawn upon discovery  
 5       that subsection (a) applied to the debt, the recovery shall  
 6       be limited to actual damages, including damages for emo-  
 7       tional distress, and reasonable costs and attorneys’ fees.

8       “(7) Nothing in this subsection shall be construed to  
 9       prejudice the ability to bring a motion for contempt of  
 10      court for a violation of subsection (a).

11      “(8) An agreement between a holder of a claim and  
 12      the debtor, the consideration for which, in whole or in  
 13      part, is based on a debt that is dischargeable in a case  
 14      under this title is voidable by the debtor.

15      “(9) Any pre-dispute arbitration agreement or pre-  
 16      dispute joint-action waiver regarding an action under  
 17      paragraph (1) is voidable by the debtor.”;

18               (4) in subsection (d)—

19                       (A) in the matter preceding paragraph (1),  
 20                       by striking “727, 1141, 1192, 1228, or 1328”  
 21                       and inserting “1031, 1141, 1192, or 1228”;  
 22                       and

23                       (B) beginning in the matter preceding  
 24                       paragraph (1), by striking “If a discharge has

1           been granted” and all that follows through the  
2           end of paragraph (2);  
3           (5) in subsection (f), by striking “(c) or”; and  
4           (6) by striking subsections (k), (l), and (m) and  
5           inserting the following:

6           “(k)(1) Nothing in this section prejudices the ability  
7           to bring a motion for contempt of court for a violation  
8           of subsection (a) or any cause of action under applicable  
9           nonbankruptcy law.

10          “(2) Any pre-dispute arbitration agreement or pre-  
11          dispute joint-action waiver purporting to apply to such an  
12          action is void.

13          “(l) Upon an entity’s request, and after notice and  
14          a hearing, the court shall issue an order declaring whether  
15          an action proposed to be taken by the entity would be a  
16          violation of the discharge injunction under subsection (a).

17          “(m) The debtor’s failure to assert, raise, or plead  
18          the discharge shall not be construed to be a waiver against  
19          asserting the discharge.”.

20          (ii) PROTECTION AGAINST DISCRIMINATORY TREAT-  
21          MENT.—Section 525 of title 11, United States Code, is  
22          amended—

23                 (1) in subsection (a), by striking “solely”;

24                 (2) in subsection (b), in the matter preceding  
25                 paragraph (1);

1 (A) by inserting “deny employment to,”  
 2 following “may”; and

3 (B) by striking “solely”; and

4 (3) by adding at the end the following:

5 “(d)(1) A person aggrieved by a violation of this sec-  
 6 tion may enforce this section in the bankruptcy case or  
 7 by bringing a civil action in an appropriate district court  
 8 of the United States.

9 “(2) To remedy a violation of this section, a court  
 10 may—

11 “(A) award damages including back pay;

12 “(B) grant injunctive or other equitable relief;

13 and

14 “(C) award of costs, including attorneys’ fees,  
 15 to an aggrieved party who prevails.”.

16 (jj) RESTRICTIONS ON DEBT RELIEF AGENCIES.—

17 (1) IN GENERAL.—Section 526 of title 11,  
 18 United States Code, is repealed.

19 (2) CONFORMING AMENDMENT.—The table of  
 20 sections for chapter 5 of title 11, United States  
 21 Code, is amended by striking the item relating to  
 22 section 526.

23 (kk) DISCLOSURES.—

24 (1) IN GENERAL.—Section 527 of title 11,  
 25 United States Code, is repealed.

1           (2) CONFORMING AMENDMENT.—The table of  
 2       sections for chapter 5 of title 11, United States  
 3       Code, is amended by striking the item relating to  
 4       section 527.

5       (II) REQUIREMENTS FOR DEBT RELIEF AGENCIES.—

6           (1) IN GENERAL.—Section 528 of title 11,  
 7       United States Code, is repealed.

8           (2) CONFORMING AMENDMENT.—The table of  
 9       sections for chapter 5 of title 11, United States  
 10      Code, is amended by striking the item relating to  
 11      section 528.

12      (mm) PROPERTY OF THE ESTATE.—Section 541 of  
 13      title 11, United States Code, is amended—

14           (1) in subsection (b)(7)—

15               (A) by striking “except that such amount  
 16               under this subparagraph shall not constitute  
 17               disposable income as defined in section  
 18               1325(b)(2); or” each place it appears;

19               (B) in subparagraph (A)(i)(III), by adding  
 20               “or” at the end; and

21               (C) in subparagraph (B)(i)(III), by adding  
 22               “or” at the end;

23           (2) in subsection (c)(2), by striking the period  
 24       at the end and inserting “, except to the extent nec-

1        essary to satisfy claims entitled to priority under  
 2        section 507(a)(1).”; and

3                (3) by adding at the end the following:

4        “(g) Notwithstanding any contrary provision of non-  
 5        bankruptcy law, a pre-dispute arbitration agreement or  
 6        pre-dispute joint-action waiver entered into by the debtor  
 7        shall not be enforceable against the bankruptcy estate or  
 8        the debtor for matters arising in, arising under, or related  
 9        to a case under this title.”.

10        (nn) **TURNOVER OF PROPERTY TO ESTATE.**—

11                (1) **IN GENERAL.**—Section 542 of title 11,  
 12        United States Code, is amended—

13                (A) in subsection (a)—

14                        (i) by striking “subsection (c) or (d)”  
 15                        and inserting “subsection (d), (e), or (f)”;  
 16                        and

17                        (ii) by striking “shall deliver to the  
 18                        trustee” and inserting “shall, without any  
 19                        condition or further action by the trustee,  
 20                        the debtor, or the court, deliver promptly  
 21                        to the trustee”;

22                (B) in subsection (b), by striking “sub-  
 23        section (c) or (d)” and inserting “subsection  
 24        (d), (e), or (f)”;



1 (C) by redesignating subsections (c), (d),  
2 and (e) as subsections (e), (f), and (g), respec-  
3 tively; and

4 (D) by adding before subsection (e), as so  
5 redesignated, the following:

6 “(c) An entity in possession of property that the  
7 trustee may use, sell, or lease under section 363 of this  
8 title, or that the debtor may exempt under section 522  
9 of this title, shall have, upon delivery of such property to  
10 the trustee, the same rights in the property as if the entity  
11 remained in possession.

12 “(d) An entity that holds property that the trustee  
13 may use, sell, or lease under section 363 of this title, or  
14 that the debtor may exempt under section 522 of this title,  
15 and that is subject to a potential loss of value due to acci-  
16 dent, casualty, or theft shall not be required to deliver  
17 such property to the trustee unless the party entitled to  
18 possession provides proof of insurance or other security  
19 sufficient to protect the creditor against such loss of  
20 value.”.

21 (2) CONFORMING AMENDMENT.—Section  
22 549(a)(2)(A) of title 11, United States Code, is  
23 amended by striking “542(c)” and inserting  
24 “542(e)”.

1       (oo) LIMITATIONS ON AVOIDING POWERS.—Section  
 2   546(a)(1)(B) of title 11, United States Code, is amended  
 3   by striking “1104, 1163, 1202, or 1302” and inserting  
 4   “1001, 1104, 1163, or 1202”.

5       (pp) FRAUDULENT TRANSFERS AND OBLIGA-  
 6   TIONS.—Section 548 of title 11, United States Code, is  
 7   amended—

8           (1) in subsection (a)(1), in the matter pre-  
 9       ceding subparagraph (A), by striking “2 years” and  
 10      inserting “4 years”;

11          (2) in subsection (b)(1), by striking “2 years”  
 12      and inserting “4 years”; and

13          (3) in subsection (e)—

14           (A) in paragraph (1)—

15               (i) in the matter preceding subpara-  
 16              graph (A), by striking “In addition” and  
 17              inserting “Subject to paragraphs (3) and  
 18              (4), in addition”;

19               (ii) in subparagraph (B), by adding  
 20              “and” at the end;

21               (iii) in subparagraph (C), by striking  
 22              “; and” and inserting a period; and

23               (iv) by striking subparagraph (D);  
 24      and

25      (B) by adding at the end the following:

1           “(3) The trustee may not avoid under para-  
 2           graph (1) a transfer of property that is exempt from  
 3           the estate pursuant to paragraph (2)(A)(ii)(II)(kk)  
 4           or (3)(A)(iii) of section 522(b).

5           “(4)(A) The trustee may not avoid under para-  
 6           graph (1) a transfer that was not made with actual  
 7           intent to hinder, delay, or defraud.

8           “(B) The defendant in any action under this  
 9           subsection has the burden of proof in pleading and  
 10          proving that the transfer was not made with actual  
 11          intent to hinder, delay, or defraud creditors.”.

12          (qq) LIABILITY OF TRANSFEREE OF AVOIDED  
 13 TRANSFER.—Section 550 of title 11, United States Code,  
 14 is amended by adding at the end the following:

15          “(g) The trustee may recover from a transferee the  
 16 costs of bringing a successful avoidance action, including  
 17 reasonable attorney fees, for the avoidance of a transfer  
 18 under section 544(b) under—

19               “(1) an applicable nonbankruptcy law that pro-  
 20               hibits a transfer made with actual intent to hinder,  
 21               delay, or defraud a creditor;

22               “(2) section 548(a)(1); or

23               “(3) section 548(e).”.

24          (rr) EXPEDITED DETERMINATION OF INTERESTS IN,  
 25 AND ABANDONMENT OR OTHER DISPOSITION OF GRAIN

1 ASSETS.—Section 557(d)(3) of title 11, United States  
 2 Code, is amended by striking “1104, 1183, 1202, and  
 3 1302” and inserting “1001, 1104, 1183, and 1202”.

4 (ss) DUTIES OF TRUSTEE.—Section 704 of title 11,  
 5 United States Code, is amended—

6 (1) in subsection (a)—

7 (A) by striking “(a)”;

8 (B) by striking paragraphs (3) and (10);

9 and

10 (C) by redesignating paragraphs (4), (5),  
 11 (6), (7), (8), (9), (11), and (12) as paragraphs  
 12 (3), (4), (5), (6), (7), (8), (9), and (10), respec-  
 13 tively;

14 (2) by striking subsection (b); and

15 (3) by striking subsection (c).

16 (tt) CONVERSION.—Section 706 of title 11, United  
 17 States Code, is amended—

18 (1) in subsection (a)—

19 (A) by striking “11, 12, or 13” and insert-  
 20 ing “11 or 12”; and

21 (B) by striking “1112, 1208, or 1307” and  
 22 inserting “1112 or 1208”; and

23 (2) in subsection (c), by striking “12 or 13”  
 24 and inserting “12”.

1 (uu) DISMISSAL OF A CASE OR CONVERSION TO A  
 2 CASE UNDER CHAPTER 11 OR 13.—

3 (1) IN GENERAL.—Section 707 of title 11,  
 4 United States Code, is amended—

5 (A) in the section heading, by striking “**or**  
 6 **conversion to a case under chapter 11**  
 7 **or 13**”;

8 (B) in subsection (a), by striking “(a)  
 9 The” and inserting “The”;

10 (C) by striking subsection (b); and

11 (D) by striking subsection (c).

12 (2) CONFORMING AMENDMENT.—The table of  
 13 sections for chapter 7 of title 11, United States  
 14 Code, is amended by striking the item relating to  
 15 section 707 and inserting the following:

“707. Dismissal of a case.”.

16 (vv) REDEMPTION.—

17 (1) IN GENERAL.—Section 722 of title 11,  
 18 United States Code, is repealed.

19 (2) CONFORMING AMENDMENT.—The table of  
 20 sections for chapter 7 of title 11, United States  
 21 Code, is amended by striking the item relating to  
 22 section 722.

23 (ww) DISTRIBUTION OF PROPERTY OF THE ES-  
 24 TATE.—Section 726(b) of title 11, United States Code, is

1 amended by striking “1112, 1208, or 1307” and inserting  
2 “1005, 1053(c), 1112, or 1208”.

3 (xx) DISCHARGE.—

4 (1) IN GENERAL.—Section 727 of title 11,  
5 United States Code, is repealed.

6 (2) CONFORMING AMENDMENT.—The table of  
7 sections for chapter 7 of title 11, United States  
8 Code, is amended by striking the item relating to  
9 section 727.

10 (yy) DUTIES OF TRUSTEE AND EXAMINER.—Section  
11 1106 of title 11, United States Code, is amended—

12 (1) in subsection (a)—

13 (A) in paragraph (1), by striking “para-  
14 graphs (2), (5), (7), (8), (9), (10), (11), and  
15 (12) of section 704(a)” and inserting “para-  
16 graphs (2), (4), (6), (7), (8), (9), and (10) of  
17 section 704”; and

18 (B) in paragraph (5), by striking “12, or  
19 13” and inserting “7, 10, or 12”; and

20 (2) in subsection (c)(1)(C), by striking clause  
21 (iv) and inserting the following:

22 “(iv) the name of each creditor that  
23 holds a claim that is not discharged under  
24 paragraph (2) or (4) of section 523(a) of  
25 this title.”.

1        (zz) CONVERSION OR DISMISSAL.—Section 1112 of  
2 title 11, United States Code, is amended—

3            (1) in subsection (a)—

4                    (A) in paragraph (2), by striking “or”;

5                    (B) in paragraph (3), by striking the pe-  
6 riod at the end and inserting “; or”; and

7                    (C) by adding at the end the following:

8                    “(4) the debtor is an individual.”;

9            (2) in subsection (b)(1), by inserting “in a case  
10 in which the debtor is not an individual,” after “sub-  
11 section (c),”;

12            (3) in subsection (d), by striking “12 or 13”  
13 and insert “10 or 12”;

14            (4) by redesignating subsection (f) as sub-  
15 section (g); and

16            (5) by inserting after subsection (e), the fol-  
17 lowing:

18            “(f) The debtor may convert a case under this chap-  
19 ter to a case under chapter 10 of this title at any time.  
20 Any waiver of the right to convert under this subsection  
21 is unenforceable.”.

22        (aaa) PROPERTY OF THE ESTATE.—Section 1115(a)  
23 of title 11, United States Code, is amended by striking  
24 “7, 12, or 13” each place it appears and inserting “10  
25 or 12”.

1 (bbb) CONTENTS OF PLAN.—Section 1123(a)(8) of  
 2 title 11, United States Code, is amended by striking “for  
 3 the execution of the plan.” and inserting “for the debtor  
 4 to meet the minimum payment obligation of the debtor.”.

5 (ccc) CONFIRMATION OF PLAN.—Section  
 6 1129(a)(15)(B) of title 11, United States Code, is amend-  
 7 ed by striking “the projected disposable income” and all  
 8 that follows through “whichever is longer” and inserting  
 9 “the minimum payment obligation of the debtor under a  
 10 repayment plan under section 1021(a)(1) if the case were  
 11 a case under chapter 10”.

12 (ddd) EFFECT OF CONFIRMATION.—Section 1141(d)  
 13 of title 11, United States Code, is amended—

14 (1) in paragraph (3)(C)—

15 (A) by striking “section 727(a)” and in-  
 16 serting “section 1031”; and

17 (B) by striking “chapter 7” and inserting  
 18 “chapter 10”; and

19 (2) in paragraph (5)—

20 (A) in subparagraph (A), by adding “and”  
 21 at the end;

22 (B) in subparagraph (B), by striking “;  
 23 and” at the end and inserting a period; and

24 (C) by striking subparagraph (C).



1 (eee) TRUSTEE.—Section 1183(b) of title 11, United  
 2 States Code, is amended—

3 (1) in paragraph (1), by striking “paragraphs  
 4 (2), (5), (6), (7), and (9) of section 704(a)” and in-  
 5 serting “paragraphs (2), (4), (5), (6), and (8) of sec-  
 6 tion 704”;

7 (2) in paragraph (5)(A), by striking  
 8 “704(a)(8)” and inserting “704(7)”; and

9 (3) in paragraph (6), by striking “704(c)” and  
 10 inserting “1001(b)(5)”.

11 (fff) PROPERTY OF THE ESTATE.—Section 1186(a)  
 12 of title 11, United States Code, is amended by striking  
 13 “7, 12, or 13” each place it appears and inserting “7,  
 14 10, or 12”.

15 (ggg) TRUSTEE.—Section 1202 of title 11 United  
 16 States Code, is amended—

17 (1) in subsection (b)—

18 (A) in paragraph (1), by striking “sections  
 19 704(a)(2), 704(a)(3), 704(a)(5), 704(a)(6),  
 20 704(a)(7), and 704(a)(9)” and inserting “para-  
 21 graphs (2), (3), (4), (5), (6), and (8) of section  
 22 704”; and

23 (B) in paragraph (5), by striking  
 24 “704(a)(8)” and inserting “704(7)”; and

1           (2) in subsection (c)(1)(C), by striking clause  
2           (iv) and inserting the following:

3                   “(iv) the name of each creditor that  
4                   holds a claim that is not discharged under  
5                   paragraph (2) or (4) of section 523(a) of  
6                   this title.”.

7           (hhh) CONVERSION OR DISMISSAL.—Section 1208 of  
8 title 11, United States Code, is amended—

9           (1) in subsection (a) by striking “7 of” and in-  
10          serting “7 or 10 of”; and

11          (2) in subsection (b) by striking “or 1112” and  
12          inserting “, 1005, 1053(c), or 1112”.

13          (iii) DISCHARGE.—Section 1228 of title 11, United  
14 States Code, is amended by striking subsection (f).

15 **SEC. 105. DATA COLLECTION.**

16          Section 159 of title 28, United States Code, is  
17 amended by striking subsections (a), (b), and (c) and in-  
18 serting the following:

19          “(a)(1) When a case is filed under chapter 10 of title  
20 11, each debtor in the case may file with the court the  
21 following information about the debtor:

22               “(A) Marital status.

23               “(B) Age.

24               “(C) Sex.

25               “(D) Race.

1           “(E) Ethnicity.

2           “(2) The Attorney General, in consultation with the  
3 Consumer Bankruptcy Ombuds of the Bureau of Con-  
4 sumer Financial Protection and the Director of the Ad-  
5 ministrative Office of the United States Courts (referred  
6 to in this section as the ‘Director’), shall prescribe a  
7 standard form for the collection of the information de-  
8 scribed in paragraph (1).

9           “(3) Any information collected, stored, received, or  
10 published under paragraph (1) shall—

11           “(A) be so collected, stored, received, or pub-  
12 lished in a manner that protects the privacy of indi-  
13 viduals whose information is included in such data;

14           “(B) be de-identified or anonymized in a man-  
15 ner that protects the identity of all individuals whose  
16 information is included in such data; and

17           “(C) be limited in use for the purpose of identi-  
18 fying and addressing disparities in the bankruptcy  
19 system and be protected from all other internal use  
20 by any entity that collects, stores, or receives the in-  
21 formation and from any other inappropriate uses.

22           “(4) Any information collected under paragraph  
23 (1)—

24           “(A) shall not be part of the public record of  
25 the bankruptcy case; and

1           “(B) shall be maintained in a nonpublic record  
2           by the court to fulfill its duties under subsection (b).

3           “(b) The clerk of the district court, or the clerk of  
4 the bankruptcy court if one is certified pursuant to section  
5 156(b), shall collect information regarding individual debt-  
6 ors seeking relief under chapter 10 of title 11. The infor-  
7 mation shall be in a standardized format prescribed by  
8 the Director so that the Director can fulfill the duties in  
9 subsection (c).

10          “(c)(1) In this subsection, the term ‘qualified re-  
11 searcher’ means a person who has undertaken to protect  
12 the confidentiality and privacy of the information in the  
13 database in a protocol that has been reviewed and ap-  
14 proved by an institutional review board that is estab-  
15 lished—

16           “(A) to protect the rights and welfare of human  
17 subjects participating in scientific research; and

18           “(B) in accordance with the requirements es-  
19 tablished under part 46 of title 45, Code of Federal  
20 Regulations, or any successor thereto.

21          “(2) The Director shall—

22           “(A) compile statistical tables from the infor-  
23 mation referred to in subsections (a) and (b) and  
24 make the tables available to the public;

1           “(B) not later than July 1, 2022, and annually  
2           thereafter, prepare, and submit to Congress a report  
3           concerning the information collected under sub-  
4           sections (a) and (b) that contains an analysis of the  
5           information; and

6           “(C) not later than December 31 of the year  
7           following the calendar year in which the information  
8           is collected, make available to—

9                   “(i) qualified researchers an electronic  
10           database containing the information collected  
11           under subsections (a) and (b) or used to create  
12           the compilation required by this subsection; and

13                   “(ii) the public an electronic database con-  
14           taining the information collected under sub-  
15           section (b) or used to create the compilation re-  
16           quired by this subsection.

17           “(d) The compilation required under subsection (c)  
18           shall—

19                   “(1) be presented in the aggregate and for each  
20           judicial district and division; and

21                   “(2) include information concerning—

22                           “(A) the total assets and total liabilities of  
23           the debtors and in each category of assets and  
24           liabilities, as reported in the schedules pre-

1           scribed pursuant to section 2075 and filed by  
2           debtors;

3           “(B) the current monthly income of debt-  
4           ors as reported on the schedules and statements  
5           that each debtor files under section 521 of title  
6           11;

7           “(C) the total compensation the debtors  
8           promised to pay to an attorney, the amount of  
9           the compensation paid to an attorney before fil-  
10          ing, and the total number of cases in which a  
11          wage garnishment order or electronic funds  
12          transfer order was entered to pay an attorney;

13          “(D) the total number of dependents of the  
14          debtors and the total number of dependents of  
15          the debtors under the age of 18;

16          “(E) whether the debtors had an owner-  
17          ship interest in real estate that served as the  
18          debtors’ principal residence;

19          “(F) whether the debtors had an owner-  
20          ship interest in real estate other than that  
21          served as the debtors’ principal residence;

22          “(G) the minimum payment obligation of  
23          the debtors as determined under section  
24          101(54) of title 11;

1           “(H) whether the debtors filed a repay-  
 2           ment plan, a residence plan, or a property plan;  
 3           and

4           “(I) the average period of time between the  
 5           date of the filing of the petition and the closing  
 6           of the case for cases closed during the reporting  
 7           period.

8           “(e) The Director may add other information to the  
 9           compilations and databases required by this section that  
 10          improve the understanding of the causes of bankruptcy  
 11          and the functioning of the bankruptcy system.”.

12   **SEC. 106. ELECTRONIC SIGNATURES.**

13          (a) **ELECTRONIC SIGNATURE DEFINED.**—In this sec-  
 14          tion, the term “electronic signature” has the meaning  
 15          given the term in section 106 of the Electronic Signatures  
 16          in Global and National Commerce Act (15 U.S.C. 7006).

17          (b) **ELECTRONIC SIGNATURES ALLOWED.**—A signa-  
 18          ture required for a filing in a case under title 11, United  
 19          States Code, may not be denied legal effect, validity, or  
 20          enforceability solely because it is an electronic signature.

21          (c) **ORIGINAL ELECTRONIC SIGNATURES AL-**  
 22          **LOWED.**—In a case under title 11, United States Code,  
 23          an original signature may be an electronic signature.

1 **SEC. 107. JUDICIAL EDUCATION.**

2       The Director of the Federal Judicial Center, in con-  
3 sultation with the Director of the Executive Office for  
4 United States Trustees, shall develop materials and con-  
5 duct training that may be useful to courts in implementing  
6 this Act and the amendments made by this Act.

7 **SEC. 108. CONFORMING AMENDMENTS TO OTHER LAWS.**

8       (a) BANKRUPTCY ABUSE AND CONSUMER PROTEC-  
9 TION ACT OF 2005.—

10           (1) AUDIT PROCEDURES.—Section 603 of the  
11 Bankruptcy Abuse Prevention and Consumer Pro-  
12 tection Act of 2005 (28 U.S.C. 586 note) is amend-  
13 ed by striking subsection (a).

14           (2) JUDICIAL EDUCATION.—Section 1226 of the  
15 Bankruptcy Abuse Prevention and Consumer Pro-  
16 tection Act of 2005 (11 U.S.C. 101 note) is re-  
17 pealed.

18           (3) TAX DOCUMENTS.—Section 1228(b) of the  
19 Bankruptcy Abuse Prevention and Consumer Pro-  
20 tection Act of 2005 (11 U.S.C. 521 note) is re-  
21 pealed.

22       (b) CONSOLIDATED FARM AND RURAL DEVELOP-  
23 MENT ACT.—Section 373(b)(2)(A)(ii) of the Consolidated  
24 Farm and Rural Development Act (7 U.S.C.  
25 2008h(b)(2)(A)(ii)) is amended by striking “11, 12, or  
26 13” and inserting “10, 11, or 12”.



1       (c) CONSUMER CREDIT PROTECTION ACT.—Section  
 2 303(b)(1)(B) of the Consumer Credit Protection Act (15  
 3 U.S.C. 1673(b)(1)(B)) is amended by striking “any order  
 4 of any court of bankruptcy under chapter XIII of the  
 5 Bankruptcy Act” and inserting “any order of any court  
 6 of the United States having jurisdiction over cases under  
 7 title 11; and”.

8       (d) HIGHER EDUCATION ACT OF 1965.—Section  
 9 437(b) of the Higher Education Act of 1965 (20 U.S.C.  
 10 1087(b)) is amended—

11           (1) in paragraph (1), by striking “chapter 12 or  
 12 13” and inserting “chapter 10 or 12”; and

13           (2) in paragraphs (2) and (3), by striking  
 14 “chapter 7 or 11” and inserting “chapter 10, 11, or  
 15 12”.

16       (e) HOUSING AND COMMUNITY DEVELOPMENT  
 17 AMENDMENTS OF 1978.—Section 201(l)(2)(C) of the  
 18 Housing and Community Development Amendments of  
 19 1978 (12 U.S.C. 1715z–1a(l)(2)(C)) is amended by strik-  
 20 ing “727, 1141, or 1328(b)” and inserting “1031, 1141,  
 21 or 1192”.

22       (f) INTERNAL REVENUE CODE OF 1986.—The Inter-  
 23 nal Revenue Code of 1986 is amended—

24           (1) in section 1398—

1 (A) in subsection (a), by striking “chapter  
2 7 (relating to liquidation) or chapter 11 (relat-  
3 ing to reorganizations)” and inserting “chapter  
4 10, chapter 11, or chapter 12”;

5 (B) in subsection (b)(1), by striking “chap-  
6 ter 7 or 11” and inserting “7 or 10”; and

7 (C) in subsection (e)(1)—

8 (i) by striking the second sentence;

9 (ii) by striking “The gross income”  
10 and inserting the following:

11 “(A) GROSS INCOME.—Subject to subpara-  
12 graph (B), the gross income”; and

13 (iii) by adding at the end the fol-  
14 lowing:

15 “(B) LIMITATION.—Subparagraph (A)  
16 shall not apply to any amount received or ac-  
17 crued by the debtor before the commencement  
18 date.

19 “(C) INCOME AFTER COMMENCEMENT  
20 DATE.—In a proceeding under chapter 10 of  
21 title 11, United States Code, and for purposes  
22 of subparagraph (A), the estate shall have no  
23 interest in any income earned by the debtor  
24 after the commencement date, including income  
25 used to satisfy the minimum payment obligation

1 (as defined in section 101 of title 11, United  
2 States Code).

3 “(D) COMMENCEMENT DATE DEFINED.—

4 In this subsection, the term ‘commencement  
5 date’ has the meaning given the term in sub-  
6 section (d)(3).”;

7 (2) in section 6327—

8 (A) by striking paragraph (4); and

9 (B) by redesignating paragraph (5) and  
10 (6) as paragraphs (4) and (5), respectively; and  
11 (3) in section 7437—

12 (A) by striking paragraph (4); and

13 (B) by redesignating paragraphs (5), (6),  
14 (7), (8), and (9) as paragraphs (4), (5), (6),  
15 (7), and (8), respectively.

16 (g) TITLE 28.—Title 28, United States Code, is  
17 amended—

18 (1) in section 157(b)(2)—

19 (A) in subparagraph (B), by striking  
20 “chapter 11, 12, or 13” and inserting “chapter  
21 10, 11, or 12”;

22 (B) in subparagraph (O), by striking  
23 “and”;

24 (C) in subparagraph (P), by striking the  
25 period at the end and inserting “; and”; and

1 (D) by adding at the end the following:

2 “(Q) proceedings to enforce rights under  
3 sections 524 or 525 of title 11.”;

4 (2) in section 589b—

5 (A) in subsection (a)(1), by striking “chap-  
6 ters 7, 12, and 13” and inserting “chapters 7,  
7 10, and 12”; and

8 (B) in subsection (d)—

9 (i) in the matter preceding paragraph  
10 (1), by striking “chapters 7, 12, and 13”  
11 and inserting “chapters 7, 10, and 12”;

12 (ii) in paragraph (5), by striking “,  
13 including for use under section 707(b), ac-  
14 tual costs of administering cases under  
15 chapter 13 or chapter 11”; and

16 (iii) in the matter following paragraph  
17 (8), by striking “chapters 12 and 13” and  
18 inserting “chapters 10 and 12”; and

19 (3) in section 3014(a)(1), by striking “section  
20 522(d)” and inserting “section 522(b)”.

21 (h) TITLE 38.—Section 3732(a)(2)(B) of title 38,  
22 United States Code, is amended by striking “1322(b)”  
23 and inserting “1022(b)”.

1 **TITLE II—CONSUMER FINAN-**  
2 **CIAL PROTECTION AMEND-**  
3 **MENTS**

4 **SEC. 201. AMENDMENTS TO THE CONSUMER FINANCIAL**  
5 **PROTECTION ACT OF 2010.**

6 (a) CONSUMER BANKRUPTCY OMBUDS.—The Con-  
7 sumer Financial Protection Act of 2010 (12 U.S.C. 5481  
8 et seq.) is amended by inserting after section 1035 (12  
9 U.S.C. 5535) the following:

10 **“SEC. 1035A. CONSUMER BANKRUPTCY OMBUDS.**

11 “(a) ESTABLISHMENT.—The Director, in consulta-  
12 tion with the Attorney General, shall designate a Con-  
13 sumer Bankruptcy Ombuds (in this section referred to as  
14 the ‘Ombuds’) within the Bureau, to provide timely assist-  
15 ance to individual debtors in bankruptcy.

16 “(b) PUBLIC INFORMATION.—The Director and the  
17 Attorney General and the bankruptcy clerks appointed  
18 under section 156(b) of title 11, United States Code, shall  
19 disseminate information about the availability and func-  
20 tions of the Ombuds to individual debtors in bankruptcy  
21 and consumer bankruptcy attorneys and consumer credit  
22 counseling agencies.

23 “(c) FUNCTIONS OF OMBUDS.—The Ombuds des-  
24 ignated under this subsection shall—

1           “(1) in accordance with regulations of the Di-  
2       rector, receive, review, and attempt to resolve infor-  
3       mally complaints from individual debtors in bank-  
4       ruptcy, including, as appropriate, attempts to resolve  
5       such complaints in collaboration with creditors, the  
6       United States Trustee Program of the Department  
7       of Justice, trustees in bankruptcy, the bankruptcy  
8       clerks appointed under section 156(b) of title 11,  
9       United States Code, and consumer privacy ombuds-  
10      men and future claims representatives appointed in  
11      bankruptcy;

12           “(2) not later than 90 days after the date of  
13      enactment of this section, establish a memorandum  
14      of understanding with the Executive Office of the  
15      United States Trustee Program, to ensure coordina-  
16      tion in providing assistance to and serving individual  
17      debtors in bankruptcy seeking to resolve complaints  
18      related to their bankruptcy cases;

19           “(3) compile and analyze data on consumer  
20      bankruptcy filings, including on the causes of indi-  
21      vidual bankruptcy filings, the relationship between  
22      consumer bankruptcy filings and consumer financial  
23      products and services, and any disparities in the  
24      bankruptcy system, including any disparities based

1 on the demographic categories described in section  
2 159(a)(1) of title 28, United States Code;

3 “(4) compile and analyze data on complaints  
4 from individual debtors in bankruptcy;

5 “(5) make recommendations to the Director  
6 and the Attorney General regarding the filing of  
7 amicus curiae briefs and making appearances in in-  
8 dividual bankruptcy cases, particularly in the cases  
9 involving repeat patterns of creditor behavior;

10 “(6) consult with the Director of the Adminis-  
11 trative Office of the United States Courts regarding  
12 the duties of that officer under section 159 of title  
13 28, United States Code, regarding data collection  
14 and reporting; and

15 “(7) make other appropriate recommendations  
16 to the Director, the Attorney General, the Com-  
17 mittee on Banking, Housing, and Urban Affairs and  
18 the Committee on the Judiciary of the Senate and  
19 the Committee on Financial Services and the Com-  
20 mittee on Judiciary of the House of Representatives.

21 “(d) ANNUAL REPORTS.—

22 “(1) IN GENERAL.—The Ombuds shall prepare  
23 an annual report that describes the activities, and  
24 evaluates the effectiveness of the Ombuds during the  
25 preceding year.

1           “(2) SUBMISSION.—The report required by  
 2       paragraph (1) shall be submitted on the same date  
 3       annually to the Attorney General, the Committee on  
 4       Banking, Housing, and Urban Affairs and the Com-  
 5       mittee on the Judiciary of the Senate and the Com-  
 6       mittee on Financial Services and the Committee on  
 7       the Judiciary of the House of Representatives.”.

8       (b) SUPERVISION OF HIGHER COST LENDERS.—Sec-  
 9       tion 1024(a)(1)(E) of the Consumer Financial Protection  
 10      Act of 2010 (12 U.S.C. 5514(a)(1)(E)) is amended by  
 11      striking “a payday loan” and inserting “a loan with an  
 12      annual percentage rate of greater than 36 percent, as de-  
 13      termined under section 987(i)(4) of title 10, United States  
 14      Code”.

15      (c) VIOLATIONS OF DISCHARGE INJUNCTION.—Sec-  
 16      tion 1036(a) of the Consumer Financial Protection Act  
 17      of 2010 (12 U.S.C. 5536(a)), is amended—

18           (1) in paragraph (2)(C), by striking “or” at the  
 19      end;

20           (2) in paragraph (3), by striking the period at  
 21      the end and inserting “; or”; and

22           (3) by adding at the end the following:

23           “(4) to violate section 524(a) of title 11, United  
 24      States Code, in a case involving an individual debt-  
 25      or.”.



1 (d) AUTHORITY TO EXERCISE SUPERVISION AND  
2 ENFORCEMENT AUTHORITY REGARDING BANKRUPTCY  
3 LAW.—

4 (1) DEFINITIONS.—Section 1002(12) of the  
5 Consumer Financial Protection Act of 2010 (12  
6 U.S.C. 5481(12)) is amended—

7 (A) in subparagraph (Q), by striking  
8 “and” and the end;

9 (B) in subparagraph (R), by striking the  
10 period at the end and inserting a semicolon;  
11 and

12 (C) by adding at the end the following:

13 “(S) title 11, United States Code, with re-  
14 spect to individual debtors.”.

15 (2) EXCEPTION FROM RULEMAKING.—Section  
16 1022 of the Consumer Financial Protection Act of  
17 2010 (12 U.S.C. 5512) is amended by inserting “,  
18 except title 11, United States Code,” after “Federal  
19 consumer financial laws” each place the term ap-  
20 pears.

21 (e) AVERAGE PRIME OFFER RATE FOR MOTOR VE-  
22 HICLE FINANCINGS.—

23 (1) IN GENERAL.—Not later than 1 year after  
24 the date of enactment of this Act, and not less fre-  
25 quently than monthly thereafter, the Bureau of Con-

sumer Financial Protection shall publish on the website of the Bureau the following information with respect to motor vehicle financing:

(A) The current (as of the date of publication) average prime offer rate for that type of financing, including the provision of that financing through retail installment sales contracts.

(B) The most common duration of that type of financing.

(C) Rate structures for financings for the purchase of new and used light motor vehicles that are used primarily for personal, family, or household use.

(2) DATA COLLECTION.—In carrying out paragraph (1), the Bureau of Consumer Financial Protection may engage in the collection of information without regard to chapter 35 of title 44, United States Code.

**SEC. 202. AMENDMENTS TO THE TRUTH IN LENDING ACT.**

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (A)—

1 (i) by striking “\$200” and inserting  
2 “\$1,600”;

3 (ii) by striking “\$2,000” and insert-  
4 ing “\$16,000”;

5 (iii) by striking “\$500” and inserting  
6 “\$4,000”;

7 (iv) by striking “\$5,000” and insert-  
8 ing “\$40,000”;

9 (v) by striking “\$400” and inserting  
10 “\$3,200”; and

11 (vi) by striking “\$4,000” and insert-  
12 ing “\$32,000”; and

13 (B) in subparagraph (B), by striking “less-  
14 er of \$1,000,000 or 1” and inserting “greater  
15 of \$8,000,000 or 5”; and

16 (2) by adding at the end the following:

17 “(m) ADJUSTMENTS.—On April 1, 2022, and each  
18 April 1 thereafter, each dollar amount in effect under sub-  
19 sections (a) and (b) on the day before such April 1 shall  
20 be adjusted—

21 “(1) to reflect the change in the Consumer  
22 Price Index for All Urban Consumers, published by  
23 the Department of Labor, for the most recent period  
24 ending immediately before January 1 preceding such  
25 April 1; and

1 “(2) to round to the nearest \$25 the dollar  
 2 amount that represents the change described in  
 3 paragraph (1).”.

4 **SEC. 203. AMENDMENTS TO THE FAIR CREDIT REPORTING**  
 5 **ACT.**

6 The Fair Credit Reporting Act (15 U.S.C. 1681 et  
 7 seq.) is amended—

8 (1) in section 605(a) (15 U.S.C. 1681c(a)), by  
 9 striking paragraph (1) and inserting the following:

10 “(1) Cases under title 11, United States Code,  
 11 that, from the date of entry of the order for relief,  
 12 antedate the report by more than 7 years.”; and

13 (2) in section 616 (15 U.S.C. 1681n)—

14 (A) in subsection (a)(1)—

15 (i) in subparagraph (A)—

16 (I) by striking “\$100” and in-  
 17 serting “\$700”; and

18 (II) by striking “\$1,000” and in-  
 19 serting “\$7,000”; and

20 (ii) in subparagraph (B), by striking  
 21 “\$1,000” and inserting “\$7,000”;

22 (B) in subsection (b), by striking “\$1,000”  
 23 and inserting “\$7,000”; and

24 (C) by adding at the end the following:

1       “(e) ADJUSTMENT.—On April 1, 2022, and each  
 2 April 1 thereafter, each dollar amount in effect under sub-  
 3 sections (a) and (b) on the day before such April 1 shall  
 4 be adjusted—

5           “(1) to reflect the change in the Consumer  
 6 Price Index for All Urban Consumers, published by  
 7 the Department of Labor, for the most recent period  
 8 ending immediately before January 1 preceding such  
 9 April 1; and

10          “(2) to round to the nearest \$25 the dollar  
 11 amount that represents the change described in  
 12 paragraph (1).”.

13 **SEC. 204. AMENDMENTS TO THE EQUAL CREDIT OPPOR-**  
 14 **TUNITY ACT.**

15       The Equal Credit Opportunity Act (15 U.S.C. 1691  
 16 et seq.) is amended—

17           (1) in section 701(a)(1) (15 U.S.C.  
 18 1691(a)(1)), by inserting “sexual orientation, gender  
 19 identity, familial status,” after “status,”; and

20           (2) in section 706 (15 U.S.C. 1691e)—

21               (A) in subsection (b), by striking—

22                   (i) “\$10,000” and inserting  
 23 “\$60,000”; and

24                   (ii) “500,000 or 1” and inserting  
 25 “\$5,000,000 or 5”; and

1 (B) by adding at the end the following:

2 “(l) ADJUSTMENT.—On April 1, 2022, and each  
3 April 1 thereafter, each dollar amount in effect under sub-  
4 section (b) on the day before such April 1 shall be ad-  
5 justed—

6 “(1) to reflect the change in the Consumer  
7 Price Index for All Urban Consumers, published by  
8 the Department of Labor, for the most recent period  
9 ending immediately before January 1 preceding such  
10 April 1; and

11 “(2) to round to the nearest \$25 the dollar  
12 amount that represents the change described in  
13 paragraph (1).”.

14 **SEC. 205. AMENDMENTS TO THE FAIR DEBT COLLECTION**  
15 **PRACTICES ACT.**

16 The Fair Debt Collection Practices Act (15 U.S.C.  
17 1692 et seq.) is amended—

18 (1) in section 803(6) (15 U.S.C. 1692a(6)), in  
19 the third sentence, by inserting “against personal  
20 property” before the period at the end;

21 (2) in section 808 (15 U.S.C. 1692f), by adding  
22 at the end the following:

23 “(9) Filing a lawsuit or a claim in a bankruptcy  
24 case that is based on a debt without an actual, rea-  
25 sonable, good-faith belief that the applicable statute

1 of limitations for enforcement of that debt has not  
 2 expired at the time of filing.

3 “(10) Any act to knowingly collect or attempt  
 4 to collect a debt that has been discharged in bank-  
 5 ruptcy except acceptance of a purely voluntary pay-  
 6 ment of the debtor without encouragement or coer-  
 7 cion by the debt collector.”; and

8 (3) in section 813 (15 U.S.C. 1692k)—

9 (A) in subsection (a)(2)—

10 (i) in subparagraph (A), by striking  
 11 “\$1,000” and inserting “\$5,000”; and

12 (ii) in subparagraph (B), by striking  
 13 “lesser of \$500,000 or 1” and inserting  
 14 “greater of \$5,000,000 or 5”; and

15 (B) by adding at the end the following:

16 “(f) On April 1, 2022, and each April 1 thereafter,  
 17 each dollar amount in effect under paragraph (a)(2) on  
 18 the day before such April 1 shall be adjusted—

19 “(1) to reflect the change in the Consumer  
 20 Price Index for All Urban Consumers, published by  
 21 the Department of Labor, for the most recent period  
 22 ending immediately before January 1 preceding such  
 23 April 1; and

1 “(2) to round to the nearest \$25 the dollar  
2 amount that represents the change described in  
3 paragraph (1).”.

4 **SEC. 206. AMENDMENTS TO THE ELECTRONIC FUND**  
5 **TRANSFERS ACT.**

6 Section 916 of the Electronic Fund Transfers Act  
7 (15 U.S.C. 1693m) is amended—

8 (1) in subsection (a)(2)—

9 (A) in subparagraph (A)—

10 (i) by striking “\$100” and inserting  
11 “\$500”; and

12 (ii) by striking “\$1,000” and insert-  
13 ing “\$5,000”; and

14 (B) in subparagraph (B), by striking “less-  
15 er of \$500,000 or 1” and inserting “greater of  
16 \$5,000,000 or 5”; and

17 (2) by adding at the end the following:

18 “(h) On April 1, 2022, and each April 1 thereafter,  
19 each dollar amount in effect under paragraph (a)(2) on  
20 the day before such April 1 shall be adjusted—

21 “(1) to reflect the change in the Consumer  
22 Price Index for All Urban Consumers, published by  
23 the Department of Labor, for the most recent period  
24 ending immediately before January 1 preceding such  
25 April 1, and



1           “(2) to round to the nearest \$25 the dollar  
2           amount that represents the change described in  
3           paragraph (1).”.

## 4   **TITLE III—BANKRUPTCY RULES**

### 5   **SEC. 301. RULES ENABLING ACT AMENDMENTS.**

6           (a) IN GENERAL.—Notwithstanding the third undes-  
7           ignated paragraph of section 2075 of title 28, United  
8           States Code, the Supreme Court of the United States may  
9           prescribe by general rules, the forms of process, writs,  
10          pleadings, and motions, and the practice and procedure  
11          in cases under title 11, United States Code, as may be  
12          necessary to carry out this Act before the effective date  
13          of this Act.

14          (b) TECHNICAL AND CONFORMING AMENDMENT.—  
15          Section 2075 of title 28, United States Code, is amended  
16          by striking the fourth undesignated paragraph.

17          (c) PLAIN WRITING.—In drafting the form required  
18          by section 1031(d) of title 11, as added by this Act, the  
19          Judicial Conference of the United States should comply  
20          with the requirements of the Plain Writing Act of 2010  
21          (5 U.S.C. 301 note).

### 22   **SEC. 302. BANKRUPTCY RULES AMENDMENTS.**

23          Rule 7004 of the Federal Rules of Bankruptcy Proce-  
24          dure is amended by striking subdivision (h).

1 **SEC. 303. SENSE OF CONGRESS.**

2 It is the sense of Congress that the Judicial Con-  
3 ference of the United States should—

4 (1) promulgate a simplified version of the  
5 schedule of current income and current expenditures  
6 required under section 521(a)(1)(B)(ii) of title 11,  
7 United States Code, for debtors who, by virtue of  
8 section 521(c) of title 11, United States Code, are  
9 not subject to the documentation requirements of  
10 that section or the statement of annual income re-  
11 quired by section 521(a)(1)(B)(v) of title 11, United  
12 States Code; and

13 (2) draft rules that provide that, with respect to  
14 a case in which the debtor is an individual, the  
15 rights under section 542 of title 11, United States  
16 Code, may be enforced by motion.

17 **TITLE IV—FUNDING THE**  
18 **BANKRUPTCY SYSTEM**

19 **SEC. 401. BANKRUPTCY FEES.**

20 Section 1930 of title 28, United States Code, is  
21 amended—

22 (1) in subsection (a)—

23 (A) in paragraph (1)(B), by striking  
24 “chapter 13 of title 11, \$235” and inserting  
25 “chapter 10 of title 11, \$250”; and

1 (B) in the undesignated matter following  
 2 paragraph (7), by striking “chapter 7, or 13 of  
 3 title 11” and inserting “chapter 7 or 10 of title  
 4 11”;

5 (2) in subsection (b), by striking the period at  
 6 the end and inserting “, which may not include any  
 7 additional fees for the filing of a petition under  
 8 chapter 10 of title 11.”; and

9 (3) in subsection (f)—

10 (A) by striking paragraph (1) and insert-  
 11 ing the following:

12 “(1)(A) Under the procedures prescribed by the Judi-  
 13 cial Conference of the United States, the district court or  
 14 the bankruptcy court may waive all fees payable to the  
 15 clerk of the court in a case under chapter 10 of title 11  
 16 for an individual if the court determines that such indi-  
 17 vidual—

18 “(i) has an income that is less than 150 percent  
 19 of the official poverty line (as defined in section 673  
 20 of the Omnibus Budget Reconciliation Act of 1981  
 21 (42 U.S.C. 9902)) applicable to a family of the size  
 22 of the family of the individual; and

23 “(ii) is unable to pay those fees in installments.

24 “(B) For the purpose of subparagraph (A)(ii), the  
 25 court shall conclusively presume that the individual is un-

1 able to pay those fees in installments if the court deter-  
 2 mines that the individual has an income that is less than  
 3 the official poverty line (as defined in section 673 of the  
 4 Omnibus Budget Reconciliation Act of 1981 (42 U.S.C.  
 5 9902)) applicable to a family of the size of the family of  
 6 the individual.”; and

7 (B) in paragraph (2), by striking “sub-  
 8 sections (b) and (c)” and inserting “subsections  
 9 (c) and (d)”.

10 **SEC. 402. TRUSTEE COMPENSATION.**

11 (a) AMENDMENTS.—Section 586 of title 28, United  
 12 States Code, is amended—

13 (1) in subsection (a)—

14 (A) in paragraph (3)—

15 (i) in the matter preceding subpara-  
 16 graph (A), by striking “chapter 7, 11 (in-  
 17 cluding subchapter V of chapter 11), 12,  
 18 13, or 15” and inserting “chapter 7, 10,  
 19 11 (including subchapter V of chapter 11),  
 20 12, or 15”; and

21 (ii) in subparagraph (C)—

22 (I) by striking “chapters 12 and  
 23 13 of title 11” and inserting “chap-  
 24 ters 10 and 12 of title 11”; and

1 (II) by striking “sections 1224,  
2 1229, 1324, and 1329” and inserting  
3 “sections 1024, 1029, 1224, and  
4 1229”;

5 (B) by striking paragraph (6); and

6 (C) by redesignating paragraphs (7) and  
7 (8) as paragraphs (6) and (7), respectively;

8 (2) by amending subsection (b) to read as fol-  
9 lows:

10 “(b) If the number of cases under chapter 10 or 12  
11 of title 11 or subchapter V of chapter 11 of title 11 com-  
12 menced in a particular region so warrants, the United  
13 States trustee for such region may, subject to the approval  
14 of the Attorney General, appoint 1 or more individuals to  
15 serve as standing trustee, or designate 1 or more assistant  
16 United States trustees to serve in cases under such chap-  
17 ter. The United States trustee may also establish, main-  
18 tain, and supervise a panel of private trustees that are  
19 eligible and available to serve as trustees in cases under  
20 chapter 10 of title 11. The United States trustee for such  
21 region shall supervise the performance of the duties of any  
22 such individual appointed under this subsection.”;

23 (3) in subsection (d)(1), by striking “under  
24 subchapter V of chapter 11 or chapter 12 or 13 of  
25 title 11” each place it appears and inserting “chap-

1 ter 10 or 12 of title 11 or subchapter V of chapter  
2 11 of title 11”;

3 (4) in subsection (e)—

4 (A) in paragraph (1), in the matter pre-  
5 ceding subparagraph (A), by striking “under  
6 subchapter V of chapter 11 or chapter 12 or 13  
7 of title 11” and inserting “chapter 12 of title  
8 11 or subchapter V of chapter 11”;

9 (B) in paragraph (2)—

10 (i) in the matter preceding subpara-  
11 graph (A), by striking “under subchapter  
12 V of chapter 11 or chapter 12 or 13 of  
13 title 11” and inserting “chapter 12 of title  
14 11 or subchapter V of chapter 11 of title  
15 11”;

16 (ii) in subparagraph (A), by striking  
17 “under subchapter V of chapter 11 or  
18 chapter 12 or 13 of title 11” and inserting  
19 “chapter 12 of title 11 or subchapter V of  
20 chapter 11 of title 11”;

21 (iii) in subparagraph (B)(ii), by strik-  
22 ing “subparagraph (d)(1)(B)” and insert-  
23 ing “subparagraph (e)(1)(B)”;

1 (C) by redesignating paragraphs (3), (4),  
2 and (5) as paragraphs (5), (6), and (7), respec-  
3 tively; and

4 (D) by inserting after paragraph (2) the  
5 following:

6 “(3) The Attorney General, after consultation  
7 with a United States trustee that has appointed an  
8 individual under subsection (b) of this section to  
9 serve as standing trustee in cases under chapter 10  
10 of title 11, shall fix—

11 “(A) a maximum annual compensation for  
12 such individual consisting of—

13 “(i) an amount not to exceed the 1.25  
14 times the highest annual rate of basic pay  
15 in effect for a position at level IV of the  
16 Executive Schedule under section 5315 of  
17 title 5; and

18 “(ii) the cash value of employment  
19 benefits comparable to the employment  
20 benefits provided by the United States to  
21 individuals who are employed by the  
22 United States at the same rate of basic  
23 pay to perform similar services during the  
24 same period of time; and

1           “(B) a percentage fee not to exceed 10  
2           percent.

3           “(4) An individual serving as standing trustee  
4           in cases under chapter 10 of title 11 shall collect  
5           such percentage fee from all payments received by  
6           such individual (including the value of property ten-  
7           dered to such individual) under plans in such cases  
8           for which such individual serves as standing trustee.  
9           Such individual shall pay to the United States trust-  
10          ee, and the United States trustee shall deposit in the  
11          United States Trustee System Fund—

12           “(A) any amount by which the actual com-  
13           pensation of such individual exceeds 5 percent  
14           upon all payments received under repayment  
15           plans in such cases for which such individual  
16           serves as standing trustee; and

17           “(B) any amount by which the percentage  
18           fee for all such cases exceeds—

19           “(i) such individual’s actual com-  
20           pensation for such cases, as adjusted under  
21           subparagraph (A) of paragraph (3); plus

22           “(ii) the actual, necessary expenses in-  
23           curred by such individual as standing  
24           trustee in such cases. Subject to the ap-  
25           proval of the Attorney General, any or all



1 of the interest earned from the deposit of  
 2 payments under repayment plans by such  
 3 individual may be utilized to pay actual,  
 4 necessary expenses without regard to the  
 5 percentage limitation contained in para-  
 6 graph (3)(B) of this subsection.”; and  
 7 (5) by striking subsection (f).

8 (b) REGULATIONS.—Not later than 1 year after the  
 9 date of enactment of this Act, the Attorney General shall  
 10 promulgate regulations to implement a process for sub-  
 11 stituting a trustee under section 1001 of title 11, United  
 12 States Code, when necessary.

## 13 **TITLE V—MISCELLANEOUS**

### 14 **SEC. 501. EFFECTIVE DATE.**

15 The provisions of this Act and the amendments made  
 16 by this Act shall take effect on the date that is 1 year  
 17 after the date of enactment of this Act.

### 18 **SEC. 502. TRANSITION.**

19 A case commenced under title 11, United States  
 20 Code, before the date that is 1 year after the date of enact-  
 21 ment of this Act, and all matters and proceedings in or  
 22 relating to any such case, shall be conducted and deter-  
 23 mined as if this Act had not been enacted, and the sub-  
 24 stantive rights of parties in connection with any such  
 25 bankruptcy case, matter, or proceeding shall continue to

1 be governed by the law applicable to such case, matter,  
2 or proceeding as if the Act had not been enacted.

3 **SEC. 503. SEVERABILITY.**

4       If any provision of this Act, an amendment made by  
5 this Act, or the application of such provision or amend-  
6 ment to any person or circumstance is held to be invalid  
7 or unconstitutional, the remainder of this Act, the amend-  
8 ments made by this Act, and the application of such provi-  
9 sions to any person or circumstance shall not be affected  
10 thereby.

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