

108TH CONGRESS
1ST SESSION

H. R. 3581

To amend title 28 of the United States Code with respect to venue in certain preference proceedings under title 11 of the United States Code commenced by the trustee against small businesses.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 21, 2003

Mr. BAKER introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend title 28 of the United States Code with respect to venue in certain preference proceedings under title 11 of the United States Code commenced by the trustee against small businesses.

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 “Small Business Bank-
5 ruptcy Venue Relief Act of 2003”.

1 **SEC. 2. VENUE IN CERTAIN PREFERENCE PROCEEDINGS**
2 **UNDER TITLE 11 OF THE UNITED STATES**
3 **CODE AGAINST CREDITORS THAT ARE SMALL**
4 **BUSINESSES.**

5 Section 1409(b) of title 28, United States Code, is
6 amended—

7 (1) by inserting “(1)” after “(b)”,

8 (2) by striking “case to” and inserting the fol-
9 lowing:

10 “case—

11 “(A) to”,

12 (3) by striking “\$5,000 only” and inserting the
13 following:

14 “\$5,000; or

15 “(B) to avoid a transfer under section 547 of
16 title 11 to or for the benefit of a creditor that is a
17 small business and that was not an insider at the
18 time of such transfer, for or on account of an ante-
19 cedent debt that is not a consumer debt;
20 only”, and

21 (4) by adding at the end the following:

22 “(2) For purposes of paragraph (1), the term ‘small
23 business’ means a person that is engaged in commercial
24 or business activities and, as determined in the date on
25 which such proceeding is commenced, has fewer than 25
26 full-time employees.”.

1 **SEC. 3. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.**

2 (a) EFFECTIVE DATE.—Except as provided in sub-
3 section (b), this Act and the amendments made by this
4 Act shall take effect on the date of the enactment of this
5 Act.

6 (b) APPLICATION OF AMENDMENTS.—The amend-
7 ments made by this Act shall apply only with respect to
8 cases commenced under title 11 of the United States Code
9 on or after the date of the enactment of this Act.

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