

111TH CONGRESS  
2D SESSION

# H. R. 6020

To amend title 11 of the United States Code with respect to the sale  
by the trustee of property that is subject to a lease.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2010

Mr. CLAY (for himself, Mr. RANGEL, and Ms. LEE of California) introduced  
the following bill; which was referred to the Committee on the Judiciary

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## A BILL

To amend title 11 of the United States Code with respect  
to the sale by the trustee of property that is subject  
to a lease.

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 “Tenant Rights Res-  
5       toration Act of 2010”.

6       **SEC. 2. AMENDMENT.**

7       Section 363 of title 11, the United States Code, is  
8       amended by adding at the end the following:

9       “(r) Notwithstanding subsection (f), the trustee may  
10      not sell real estate that is the property of the estate free

1 and clear of an existing leasehold interest unless the lessee  
2 is permitted to elect 1 of the following 2 options upon the  
3 entry of the order authorizing such a sale:

4 “(1) The lessee may treat such lease as termi-  
5 nated by the sale.

6 “(2) The lessee may retain its rights under  
7 such lease (including rights such as those relating to  
8 the amount and timing of payment of rent and other  
9 amounts payable by the lessee and any right of use,  
10 possession, quiet enjoyment, subletting, assignment,  
11 or hypothecation) that are in or appurtenant to the  
12 real property for the balance of the term of such  
13 lease and for any renewal or extension of such rights  
14 to the extent that such rights are enforceable under  
15 applicable nonbankruptcy law.”.

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