

HR 7494

Bankruptcy Threshold Adjustment and Technical Corrections Act

Congress: 117 (2021–2023, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Apr 11, 2022

Current Status: Referred to the Subcommittee on Antitrust, Commercial, and Administrative Law.

Latest Action: Referred to the Subcommittee on Antitrust, Commercial, and Administrative Law. (Nov 1, 2022)

Official Text: <https://www.congress.gov/bill/117th-congress/house-bill/7494>

Sponsor

Name: Rep. Neguse, Joe [D-CO-2]

Party: Democratic • State: CO • Chamber: House

Cosponsors (1 total)

| Cosponsor | Party / State | Role | Date Joined |
|--------------------------|---------------|------|--------------|
| Rep. Cline, Ben [R-VA-6] | R · VA | | Apr 11, 2022 |

Committee Activity

| Committee | Chamber | Activity | Date |
|---------------------|---------|-------------|-------------|
| Judiciary Committee | House | Referred to | Nov 1, 2022 |

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

| Bill | Relationship | Last Action |
|-------------|--------------|---------------------------------------------------------------------------------------------|
| 117 HR 5939 | Related bill | Nov 1, 2022: Referred to the Subcommittee on Antitrust, Commercial, and Administrative Law. |
| 117 S 3823 | Related bill | Jun 21, 2022: Became Public Law No: 117-151. |
| 117 S 2679 | Related bill | Aug 9, 2021: Read twice and referred to the Committee on the Judiciary. |

Bankruptcy Threshold Adjustment and Technical Corrections Act

This bill modifies provisions related to small business reorganization bankruptcies and wage earner's bankruptcies.

Specifically, the bill extends for two years the increase of the amount of debt allowed to be carried by debtors to qualify for small business reorganization bankruptcy and provides that this debt limit is subject to adjustment for inflation. Additionally, it provides that a small business debtor includes a debtor that is an affiliate of certain publicly traded companies. Further, it authorizes the bankruptcy trustee to operate the business of the debtor if the debtor ceases to be a debtor in possession.

The bill also increases for two years the debt limit for individuals filing for bankruptcy under Chapter 13 (i.e., the wage earner's plan) and allows both secured and unsecured debt to count towards this single limit. (Currently, separate limits apply to secured and unsecured debt.)

Actions Timeline

- **Nov 1, 2022:** Referred to the Subcommittee on Antitrust, Commercial, and Administrative Law.
- **Apr 11, 2022:** Introduced in House
- **Apr 11, 2022:** Referred to the House Committee on the Judiciary.