

PUBLIC ANNOUNCEMENT

United States Bankruptcy Court for the Western District of Pennsylvania

BANKRUPTCY THRESHOLD ADJUSTMENT AND TECHNICAL CORRECTIONS ACT

On June 21, 2022, the Bankruptcy Threshold Adjustment and Technical Corrections Act (the “BTATC Act”) was signed into law. The BTATC Act:

- Extends for two years the increase of the amount of debt (up to \$7,500,000) allowed to be carried by debtors to qualify for small business reorganization under subchapter V (applies retroactively to cases commenced on or after March 27, 2022, and with respect to a case that was commenced on or after March 27, 2020, and before June 21, 2022, is pending on June 21, 2022),
- Increases, for two years, the debt limit for individuals filing for bankruptcy under Chapter 13 (to less than \$2,750,000) and allows both secured and unsecured debt to count towards this single limit (effective June 21, 2022), and
- Provides technical amendments to the Bankruptcy Administration Improvement Act of 2020 (to 28 U.S.C. § 589(a) specifically), which are effective as of October 1, 2021.

Additionally, the BTATC Act reinstates the definition of “debtor” for determining eligibility to proceed under subchapter V chapter 11 that was in effect from March 27, 2020 to March 27, 2022. As a result, in order to reflect the change:

- Line 13 of Official Form 101, and Line 8 of Official Form 201, have been updated by the Administrative Office of the United States Courts, and
- The United States Bankruptcy Court for the Western District of Pennsylvania (the “Court”) has issued [Standing Order 22-218](#) amending Interim Rule 1020.