BANKRUPTCY

Does the 2017 Amendment to 28 U.S.C. 1930(a)(6)(B) Violate the Uniformity Requirement of the U.S. Constitution Bankruptcy Clause by Subjecting Chapter 11 Debtors in Some States to Higher Fees Than Similarly Situated Debtors in Other States?

CASE AT A GLANCE

Circuit City Stores, Inc., filed a petition for financial relief under Chapter 11 of the U.S. Bankruptcy Code in the Eastern District of Virginia in 2008. The Eastern District of Virginia is a "Trustee district" that follows the U.S. Trustee Program for bankruptcy proceedings (as opposed to "Administrative districts," which do not). In 2010, the bankruptcy court confirmed Circuit City's joint-liquidation plan, in which the Circuit City debtors were required to pay quarterly fees to the U.S. Trustee until the completion of the proceedings. Circuit City's bankruptcy cases were still pending when the 2017 amendment to 28 U.S.C. 1930(a)(6)(B) went into effect. Following the amendment, petitioner claimed its quarterly fees increased by about $575,600. Recognizing the unequal quarterly fees assessed to Chapter 11 debtors in Trustee districts, petitioner argued that the 2017 amendment was impermissible because it was retroactive and that it violated the uniformity clauses in the U.S. Constitution. The bankruptcy court rejected the petitioner's retroactivity argument, but also found that the amendment "was unconstitutional under the Bankruptcy Clause." The Fourth Circuit, in keeping with a Fifth Circuit holding, reversed the bankruptcy court and found the 2017 amendment was not unconstitutional. Meanwhile, the Second and Tenth Circuits, by contrast, found the amendment unconstitutional and concluded the debtors who paid higher quarterly fees are entitled to monetary relief. Both petitioner and respondent filed briefs urging the Supreme Court to resolve the issue.

Alfred H. Siegel, Trustee of the Circuit City Stores, Inc., Liquidating Trust v. John P. Fitzgerald, III, Acting United States Trustee for Region 4
Docket No. 21-441

Argument Date: **April 18, 2022**
From: **The United States Court of Appeals for the Fourth Circuit**

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Issue

Does the 2017 Amendment to 28 U.S.C. 1930(a)(6)(B), increasing quarterly fees payable by a Chapter 11 debtor in a Trustee district, but not in an Administrator district, violate the uniformity of laws provision of the Constitution's Bankruptcy Clause because it increased quarterly fees solely in Trustee districts but not in Bankruptcy Administrator districts?

Statutory Background

The Bankruptcy Clause of the U.S. Constitution provides, in pertinent part, "The Congress shall have Power * * * to establish * * * uniform Laws on the subject of Bankruptcies throughout the United States." U.S. Const. Art. I, Section 8, Cl. 4. Despite the Constitutional requirement of uniform bankruptcy laws, in 1986, following an eight-year U.S. Trustee Pilot Program, Congress divided the nation's bankruptcy courts into two distinct systems: U.S. Trustee districts ("Trustee districts"), which follow the U.S. Trustee Program ("UST Program"), and Bankruptcy Administrator districts ("Administrator districts"), which follow their own administrator programs ("Administrator Programs"). *See* Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (1986 Act), Pub. L. No. 99–554, 100 Stat. 3008 (28 U.S.C. 581 note); *see also*, *In re John Q. 2006, LLC* 618 B.R. 519, 522 (Bankr. D. Kan. 2020).

U.S. Trustee districts exist in 48 states, while Administrator districts exist in two states, North Carolina and Alabama. North Carolina and Alabama opposed joining the UST Program. *See* 1986 Senate Hearing 129 (testimony by Judge James Hancock (N.D. Ala); *id.* at 182–194, 225 (Judge Thomas Moore (E.D.N.C.), noting opposition of judges in all three districts of North Carolina); *id.* at 199–210, 226 (statement of Algernon L. Butler Jr., chairman of the North Carolina Bar Association's bankruptcy section). As a result of the opposition, Congress excepted the six federal judicial districts in North Carolina and Alabama from joining the UST Program for a period of six years, through October 1, 1992, allowing them instead to operate under their own administrative programs, the Administrator Programs. 1986 Act Sec. 302(d)(3)(A), 100 Stat. 3090–3095, 3121–3122. *See also, In re John Q. Hammons Fall 2006 LLC* 618 B.R. 519, 522 (Bankr. D. Kan. 2020).

Congress extended the Administrator Program exception to North Carolina and Alabama an additional ten years, until October 1, 2002. However, in November 2000, the Administrator Programs became permanent when legislation tucked into an unrelated congressional bill became law, resulting in 88 judicial districts in 48 states permanently operating under the UST Program and the 6 judicial districts in North Carolina and Alabama permanently operating under Administrator Programs. *See* Pub. L. No. 101–650, Tit. III, sec. 317(a) (1990) (10-year extension); Pub. L. No. 106–518, Tit. V, sec. 50, 114 Stat. 2421–2422 (2000) (outright elimination). *See also, In re Buffets, LLC* 979 F.3d 366, 383 (5th Cir. 2020) (noting that the permanent exemption was tucked into an unrelated bill during the November 2000 lame duck session) (Clement, J., dissenting).

Although not obligated to join the UST Program, each of the six districts may individually elect to join the UST Program upon the approval of the bankruptcy judges and chief district judge in their respective district. 1986 Act sec. 302(d)(3), 100 Stat. 3121–3123 (28 U.S.C. 581 note). However, they have yet to do so and continue to remain independent of the UST Program.

While the UST Program and Administrator Programs serve the same general purpose, they are different. The UST Program is overseen by the Department of Justice, is subject to numerous provisions of the United States Bankruptcy Code and the Federal Rules of Bankruptcy Procedure, and falls under the executive branch of government. In contrast, Administrator Programs are overseen by the judicial branch of the Judicial Conference, have their own administrative procedures, and delegate many of the tasks performed by the office of the U.S. trustee in the Trustee Programs to the bankruptcy administrator and the bankruptcy court. Fed. R. Bankr. P. 9035, *Notes on Advisory Committee Rules*—1991 Amendment.

The UST Program and Bankruptcy Administrator Programs are also funded by different sources. The UST Program is, essentially, funded and "paid for by the users of the bankruptcy system," while Administrator Programs are funded from the judiciary's general budget. *In re Buffets, LLC*, 979 F.3d 366, 371 (5th Cir. 2020) (Clement, J., dissenting); *see also*, H.R. Rep. No. 764, 99th Cong., 2d Sess. 22 (1986); 28 U.S.C. 589a, United States Trustee System Fund.

One of the fees used to fund the UST Program is the quarterly fee assessed against Chapter 11 debtors in Trustee districts pursuant to 28 U.S.C. 1930(a)(6)(B)—"a quarterly fee shall be paid to the United States trustee." 28 U.S.C. 1930(a)(6)(B). This assessment does not apply to Chapter 11 debtors in Administrator districts.

The differing fee assessment was ultimately challenged on constitutional grounds by certain debtors in the Trustee districts. The dispute reached the Ninth Circuit, and the court of appeals held the unequal treatment violated the Bankruptcy Clause: "[B]ecause creditors and debtors in states other than North Carolina and Alabama are governed by a different, more costly system for resolving bankruptcy disputes, * * * [28 U.S.C. 1930] does not apply

uniformly to a defined class of debtors," rendering the statute unconstitutional. *St. Angelo v. Victoria Farms, Inc.* 38 F.3d 1525, 1531–1532 (9th Cir. 1994) (citation omitted).

In response to the *St. Angelo* decision, Congress amended Section 1930 by adding a new section, Section 1930(a)(7). Section 1930(a)(7) sought to cure the fee discrepancy between the two districts by granting the Judicial Conference the *discretion, but not obligation*, to impose fees equal to those imposed in Trustee districts: "In districts that are not part of the United States trustee region, * * * the Judicial Conference of the United States may require the debtor in a case under Chapter 11 of Title 11 to pay fees equal to those imposed by paragraph (6) of this subsection." 28 U.S.C. 1930(a)(7).

Although quarterly fees in Administrator districts were discretionary, Administrator districts immediately began to assess quarterly fees consistent with the quarterly fees assessed in Trustee districts. The result was that quarterly fees assessed against Chapter 11 debtors in the two districts were the same until 2017, when Congress, in an attempt to address a funding shortfall in the UST Program, passed the Bankruptcy Judgeship Act of 2017 (the "2017 Act"). Pub. L. 115–72, Div. B, Sect. 1004(a), 131 Stat. 1232. Section 1004(a) of the 2017 Act amended Section 1930(a)(6)(B) by substantially increasing the quarterly fees payable by Chapter 11 debtors in a Trustee district (the "2017 Amendment"). The 2017 Amendment went into effect on January 1, 2018, and applied to all pending bankruptcy cases within the Trustee districts, regardless of the date of filing. Significantly, Congress did not amend 28 U.S.C. 1930(a)(7) as part of the 2017 Act, and the Judicial Conference was left with the continued discretion to set quarterly fees payable by Chapter 11 debtors in Administrator districts separate from the UST Program. The result was that Chapter 11 debtors in Trustee districts were required, effective January 1, 2018, to pay substantially increased fees compared to the quarterly fees payable by similarly situated Chapter 11 debtors in Administrator districts.

On September 13, 2018, the Judicial Conference authorized an increase in quarterly fees payable by Chapter 11 debtors in Administrator districts equal to the amounts specified in Section 1930(a)(6). Report of the Proceedings of the Judicial Conference of the United States 11–12 (September 13, 2018). However, the fee increase did not go into effect until October 1, 2018, and applied prospectively and not to any pending cases. The result was that (1) Chapter 11 debtors in Trustee districts were assessed increased quarterly fees for the first nine months of 2018, compared to similarly situated debtors in Administrator districts; and (2) Chapter 11 debtors with pending cases in Trustee districts are obligated to continue to pay increased quarterly fees despite the fact that similarly situated Chapter 11 debtors in the Administrator districts are not obligated to pay increased quarterly fees.

Congress addressed the continuing fee discrepancy between Sections 1930(a)(6) and 1930(a)(7) in 2021, by mandating that the Judicial Conference "shall" impose fees in Administrator districts equal to the fees imposed under Section 1930(a)(6). Pub. L. No. 116–326 at (3)(d)(2), 134 Stat. 5088; 28 U.S.C. 1930(a)(7). The 2021 amendment, however, failed to address (1) the nonuniformity of the quarterly fees assessed against debtors in Trustee districts versus debtors in Administrator districts during the first nine months of 2018; and (2) the increased quarterly fees assessed against Chapter 11 debtors in Trustee districts who filed for bankruptcy prior to October 1, 2018, while no such quarterly fees are being assessed against similarly situated debtors in Administrator districts.

The dual bankruptcy programs (UST Program versus Administrator Program) and the nonuninform quarterly fee assessed against Chapter 11 debtors as a result of the 2017 Amendment serve as the framework for the issues before the Supreme Court.

Facts

Circuit City Stores, Inc., operated a nationwide chain of consumer-electronic retail stores. In 2008, Circuit City filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the Eastern District of Virginia. The Eastern District of Virginia is a Trustee district and follows the UST Program.

In 2010, the bankruptcy court confirmed Circuit City's joint-liquidation plan. The plan provided for the creation of a liquidation trust, including the appointment of a liquidation trustee who was charged with collecting, administering, distributing, and liquidating all of Circuit City's remaining assets. Pursuant to the plan, the Circuit City debtors were required to continue to pay quarterly fees to the U.S. trustee pursuant to 28 U.S.C. 1930(a)(6)(B) until their Chapter 11 cases were closed, converted, or subject to a final decree of the bankruptcy court.

Circuit City's bankruptcy cases were still pending when the 2017 Amendment went into effect. According to the petitioner, in the seven years prior to the 2017

Amendment, Circuit City paid approximately $833,000 in quarterly fees. *In re Circuit City Stores, Inc.*, 606 B.R. 260, 267 (Bankr. E.D. Va. 2019). Yet, in the first three quarters of 2018 alone, Circuit City paid $632,542 in quarterly fees pursuant to Section 1930(a)(6). Absent the 2017 Amendment, Circuit City would have paid only $56,400 in quarterly fees, a difference of approximately $575,600. *Id. at 267, fn. 20.*

Recognizing the unequal quarterly fees assessed to Chapter 11 debtors in Trustee districts, petitioner moved the bankruptcy court for a determination as to the extent of its liability for the postconfirmation quarterly fees. *In re Circuit City Stores, Inc.,* 606 B.R. at 260. Petitioner raised three arguments: (1) the 2017Amendment was impermissibly applied to cases prior to its enactment; (2) the 2017 Amendment was nonuniform in violation of the Bankruptcy Clause of the U.S. Constitution; and (3) the 2017 Amendment was nonuniform in violation of the uniformity requirement in the Taxing and Spending Clause of the U.S. Constitution. *Id.* at 265–266.

The bankruptcy court rejected the petitioner's retroactivity argument, finding the 2017 Amendment to Section 1930(a)(6)(B), "does not violate the anti-retroactivity principle as the law is substantively prospective." *Id.* at 267–268. The bankruptcy court then addressed petitioner's constitutional challenge under the Uniformity Clause and Bankruptcy Clause. The court found that, because the 2017 Amendment "does not apply uniformly" both to Chapter 11 debtors with pending cases in [Administrator districts] and to Chapter 11 debtors with pending cases in Trustee districts, it is unconstitutional under the Bankruptcy Clause." *Id.* at 268–269. In reaching its decision, the bankruptcy court was guided, in part, by the decision of bankruptcy judge Ronald B. King of San Antonio in *In re Buffets* LLC, 597 B.R. 588 (Bankr. W.D. Tex. 2019), which found the 2017 Amendment violated the Uniformity Clause.

Petitioner and respondent both appealed. The Fourth Circuit granted a direct appeal, skipping an intermediate appeal to the district court. While the appeal was pending in the Fourth Circuit, the Fifth Circuit issued an opinion in *Hobbs v. Buffets LLC (In re Buffets LLC)*, 979 F.3d 366 (5th Cir. Nov. 3, 2020), which upheld the constitutionality of the 2017 Amendment.

Holding that the Fifth Circuit's *Buffets* decision correctly resolved the uniformity issue, a divided panel of the Fourth Circuit, reversed the *Circuit City* bankruptcy court and found the 2017 Amendment was not unconstitutional. *In re Circuit City Stores, Inc.*, 996 F.3d 156, 167. The Fourth Circuit reasoned: (1) the "Uniformity Clause only applies to taxes…[and is therefore] inapplicable here" (*Id.* at 164); and (2) the 2017 Amendment did not violate the Bankruptcy Clause of the Constitution, as the Bankruptcy Clause "forbids only 'arbitrary' geographic distinctions," and "Congress…was entitled to 'solve the evil to be remedied with a fee increase in just the underfunded districts.'" *Id*, at 164, 166 (citing *Buffets*, 979 F.3d at 380). The Fourth Circuit noted:

> Although the [2017] Amendment may render it more expensive for some debtors in Virginia—as opposed to North Carolina and Alabama—to go through Chapter 11 proceedings, the 2017 Amendment does not draw an arbitrary distinction based on the residence of the debtors or creditors. Instead, the distinction is simply a byproduct of Virginia's use of the Trustee Program. By increasing quarterly fees for large Chapter 11 bankruptcies in Trustee districts, Congress solved the shortfall in the [UST] program's funding. The Administrator districts, which are funded by the judiciary's general budget, did not face a similar financial issue. Because only those debtors in Trustee districts use the U.S. Trustees, Congress reasonably solved the shortfall problem with fee increases in the underfunded districts. *Id.* at 166.

The Fourth Circuit concluded that the "2017 Amendment does not contravene the uniformity mandate of either the Uniformity Clause or the Bankruptcy Clause." *Siegel v. Fitzgerald (In re Circuit City Stores, Inc.)*, 996 F.3d 156, 164 (4th Cir. 2021).

Circuit Judge A. Marvin Quattlebaum Jr. dissented from the Court's holding that the quarterly fee increases were constitutional. Judge Quattlebaum's dissent is noteworthy as he provides an insightful overview of the UST Program and Administrator Programs while stating unequivocally: "Make no mistake about it. We have two types of bankruptcy courts in the United States. Forty-eight states operate as part of the United States Trustee Program under which the United States Trustees aid the courts in the aid and management of bankruptcy cases. But two states—Alabama and North Carolina—operate under a different system. They use Bankruptcy Administrators rather than United States Trustees. And the differences extend beyond titles." *Circuit City*, 996 F.3d at 169.

While the Fourth and Fifth Circuit have held that the 2017 Amendment is constitutional, a panel of the Second Circuit and a divided panel of the Tenth Circuit have found the 2017 Amendment unconstitutional and concluded the debtors who paid higher quarterly fees are entitled to monetary relief. *See Clinton Nurseries of Md., Inc. v. Harrington (In re Clinton Nurseries, Inc.)*, 998 F.3d 56, 64–70 (2d Cir. 2021); *John Q. Hammons Fall 2006, LLC v. Office of the U.S. Trustee (In re John Q. Hammons Fall 2006, LLC)*, 15 F.4th 1011, 1021–1026 (10th Cir. 2021). The Second and Tenth Circuits acknowledged the *Circuit City* and *Buffets* decisions but found the two decisions to be unpersuasive. *Clinton Nurseries*, 998 F.3d at 67–70; *John Q. Hammons*, 15 F.4th at 1023–1025.

The judgment of the Fourth Circuit was entered on April 29, 2021. Thereafter, on September 20, 2021, the petitioner filed a petition for writ of *certiorari*. Both the petitioner and the respondent filed briefs urging the Supreme Court to grant a writ of *certiorari*, which the Court did on January 10, 2022. Ultimately, the Supreme Court is being asked to resolve the circuit split and determine the constitutionality of the 2017 Amendment and the nature of the relief, if any, to be afforded the petitioner and similarly situated debtors, should the 2017 Amendment be found to be unconstitutional.

Case Analysis

Petitioner asserts two principal arguments as to why the Fourth Circuit's opinion should be reversed and remanded for further proceedings: (1) the 2017 Amendment's quarterly fee increase violates the Bankruptcy Clause's uniformity requirement and (2) the 2017 Amendment is impermissibly nonuniform because Congress's dual system of Trustee districts and Administrator districts is impermissibly nonuniform. The respondent asserts one principal argument against the petition—namely, Congress did not exceed its constitutional authority in enacting the 2017 Amendment.

Significantly, the petitioner, respondent, and amici all agree the Bankruptcy Clause authorizes Congress to establish uniform bankruptcy laws throughout the United States. *See* U.S. Const. Art. I, Section 8, Cl. 4. They further agree that the nation's bankruptcy courts are divided into two distinct judicial districts with two different administrative programs: the UST Program and the Administrator Programs. The UST Program is overseen by the Department of Justice (part of the executive branch) and is self-funded. The Administrator Program is overseen by the Judiciary Conference (part of the judicial branch) and is funded out of the judiciary's general budget.

The parties further agree that the 2017 Amendment increased the amount of quarterly fees payable by debtors in Trustee districts. 28 U.S.C. 1930(a)(6)(B). The fee increase was effective on January 1, 2018, and applied to all pending and future Chapter 11 debtor cases in the U.S. Trustee districts. The quarterly fee increase, however, did not apply to any Chapter 11 cases pending in the Administrator districts, and it was not until October 1, 2018, when the Judicial Conference increased the quarterly fees in Administrator districts in an amount equal to the amounts payable in Trustee districts. However, the quarterly fee increase in Administrator districts was to be applied prospectively and did not apply to any bankruptcy cases pending as of September 20, 2018. Consequently, for the first nine months of 2018, the debtors in Trustee districts paid substantially more in quarterly fees than debtors in Administrator districts. Moreover, Chapter 11 debtors in Trustee districts, who filed bankruptcy prior to January 1, 2018, *and* whose cases remain open after January 1, 2018, paid, or will pay, higher quarterly fees than similarly situated Chapter 11 debtors in Administrator districts. The parties further agree the 2017 Amendment dramatically increased the amount of quarterly fees payable by debtors in Trustee districts (by as much as 733 percent).

Petitioner and the amici argue that the 2017 Amendment violated the Bankruptcy Clause's uniformity requirement by increasing quarterly fees solely in Trustee districts. Petitioner and several of the amici point to the three Supreme Court cases discussing the requirement of uniform bankruptcy laws. *Regional Rail Reorganization Act Cases*, 419 U.S. 102 (1974); *Railroad Labor Execs' Association v. Gibbons*, 455 U.S. 457, 468 (1982); and *Vanston Bondholders Protective Comm. v. Green*, 329 U.S. 156 (1946). These cases recognize bankruptcy laws must be uniform throughout the United States. *Gibbons*, 455 U.S. at 468; *Vanston*, 329 U.S. at 172. Moreover, Congress has the ability to pass laws on the subject of bankruptcy that result in geographic distinctions impacting debtors. *Regional Rail Reorg. Cases*, 419 U.S. at 160. However, in enacting such laws, Congress cannot draw lines based on "regionalism" *Id.* Rather, bankruptcy laws must "apply equally to all creditors and all debtors." *Vanston*, 329 U.S. at 172 (Frankfurter, J., concurring). Petitioner further argues the 2017 Act is unconstitutional due to the fundamental lack of uniformity presented by the Administrator

Program. Specifically, according to petitioner, "There was no justification for Congress treating North Carolina and Alabama differently from the other 48 states under the Trustee program; the system nevertheless divides debtors into arbitrary categories for no discernable reason."

The amici adopt the petitioner's arguments and offer additional legal support as to why the Court should overrule the Fourth Circuit's decision, including (1) the 2017 Amendment does not apply retroactively to petitioner (Brief for amicus curiae MF Global Holdings, Ltd.); (2) the appropriate and only remedy to petitioner (and similarly situated debtors) is a full refund of all unconstitutional fees paid by the petitioner (and other Chapter 11 debtors in the Trustee districts) (Brief of amicus curiae the Chamber of Commerce of the United States; Brief of amici curiae John Q. Hammons Hotel & Resorts, et. al.); and (3) Congress unconstitutionally delegated its authority under the Bankruptcy Clause to judges in North Carolina and Alabama (Brief of amici curiae Acadiana Management Group, LLC et. al.).

The respondent contends that the 2017 Amendment did not exceed Congress's constitutional authority when it enacted the quarterly fee increase in Trustee districts, even though the quarterly fee increase was not immediately applied in the Administrator districts. Respondent offers four sub-arguments in support of its position: (1) the bankruptcy uniformity requirement does not restrict Congress's authority to set user fees for the Trustee Program; (2) the statutory regime for quarterly fees was at all relevant times facially uniform throughout the United States; (3) the fee disparity, even if attributable to Congress, did not violate the uniformity requirement; and (4) the remedy requested—the refund of excess fees paid by Chapter 11 debtors in Trustee districts—is not the appropriate remedy.

Significance

The case is significant. While the Supreme Court is not likely to render an opinion as to the constitutionality of the differing bankruptcy programs, the Court may highlight the various problems with the dual programs. Of course, North Carolina, Alabama, or Congress could easily resolve the problems. North Carolina and Alabama could simply opt into the Trustee Program, as contemplated by Federal Rule of Bankruptcy 9035, and the legislative history of the Trustee Program. (It does not appear that the 88 Trustee districts may opt out of the Trustee Program, which in and of itself, could create a constitutional challenge.) Moreover, Congress could simply amend the Bankruptcy Code, creating one unified program.

As for the petitioner, respondent, and amici, if the 2017 Amendment is found to violate the uniformity provision of the Bankruptcy Clause, then what remedy, if any, is the petitioner (and similarly situated Chapter 11 debtors) entitled to—a full refund, a partial refund, or prospective relief only? A full refund could mean the return of over $324 million to Chapter 11 debtors in Trustee districts. Such a refund may be problematic, especially if the UST Program, or UST Fund, has already expended the increased quarterly fees administering the UST Program. More broadly, if the 2017 Amendment violates the uniformity requirement of the Bankruptcy Clause, is the dual bankruptcy system itself—UST Program versus Administrator Program—unconstitutional? Lastly, what light, if any, will the Supreme Court shine on the dual bankruptcy programs, outside of its review of the 2017 Amendment? The answers to these questions will have far reaching ramifications on bankruptcy law, bankruptcy cases, the ongoing administration of bankruptcy cases, and how practitioners may utilize or challenge the dual bankruptcy programs to their client's advantage.

The case also raises several questions that are not before the Court but could be raised in future bankruptcy cases. For example, (1) does a lack of uniformity exist in the administration of the dual bankruptcy programs, as debtors-in-possession have different governmental adversaries in Trustee districts (the United States Trustee) versus Administrator districts (the bankruptcy administrator and bankruptcy judge); (2) does a lack of uniformity in the dual bankruptcy programs favor or disadvantage debtors or creditors in one program versus another program; (3) should bankruptcy judges in Administrator districts retain the continuing power to appoint bankruptcy administrators and committees in a Chapter 11 case, when no such right exists in the Trustee districts; (4) what impact will a finding of uniformity (or nonuniformity) have on other federal cases and statutes that may require Congress to implement "uniform laws," such as the uniformity requirements of the Tax and Spending Clause.

In light of the foregoing, it is fair to expect that the Court's decision will likely have significant impact—some predictable and some not—on bankruptcy cases and the future administration of bankruptcies in Trustee and Administrator districts.

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PREVIEW of United States Supreme Court Cases 49, no. 7 (April 18, 2022): 7–13.

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