

**Amendment to H.R. 833, As Reported**  
**Offered by Mr. Moran of Virginia**

Page 101, after line 9, insert the following (and make such technical and conforming changes as may be appropriate):

1 **SEC. 154. DISCLOSURES.**

2 (a) DISCLOSURES.—Subchapter II of chapter 5 of  
3 title 11, United States Code, as amended by section 106,  
4 is amended by adding at the end the following:

5 **“§ 527. Disclosures**

6 “(a) A debt relief agency providing bankruptcy assist-  
7 ance to an assisted person shall provide the following no-  
8 tices to the assisted person:

9 “(1) the written notice required under section  
10 342(b)(1) of this title; and

11 “(2) to the extent not covered in the written no-  
12 tice described in paragraph (1) of this section and  
13 no later than three business days after the first date  
14 on which a debt relief agency first offers to provide  
15 any bankruptcy assistance services to an assisted  
16 person, a clear and conspicuous written notice advis-  
17 ing assisted persons of the following—

1           “(A) all information the assisted person is  
2 required to provide with a petition and there-  
3 after during a case under this title must be  
4 complete, accurate and truthful;

5           “(B) all assets and all liabilities must be  
6 completely and accurately disclosed in the docu-  
7 ments filed to commence the case, and the re-  
8 placement value of each asset as defined in sec-  
9 tion 506 of this title must be stated in those  
10 documents where requested after reasonable in-  
11 quiry to establish such value;

12           “(C) current monthly income, the amounts  
13 specified in section 707(b)(2) and, in a chapter  
14 13 case, disposable income (determined in ac-  
15 cordance with section 707(b)(2)) must be stated  
16 after reasonable inquiry; and

17           “(D) that information an assisted person  
18 provides during their case may be audited pur-  
19 suant to this title and that failure to provide  
20 such information may result in dismissal of the  
21 proceeding under this title or other sanction in-  
22 cluding, in some instances, criminal sanctions.

23           “(b) A debt relief agency providing bankruptcy assist-  
24 ance to an assisted person shall provide each assisted per-  
25 son at the same time as the notices required under sub-

1 section (a)(1) with the following statement, to the extent  
2 applicable, or one substantially similar. The statement  
3 shall be clear and conspicuous and shall be in a single  
4 document separate from other documents or notices pro-  
5 vided to the assisted person:

6       “‘IMPORTANT INFORMATION ABOUT BANK-  
7 RUPTCY ASSISTANCE SERVICES FROM AN AT-  
8 TORNEY OR BANKRUPTCY PETITION PREPARER

9       “‘If you decide to seek bankruptcy relief, you can  
10 represent yourself, you can hire an attorney to represent  
11 you, or you can get help in some localities from a bank-  
12 ruptcy petition preparer who is not an attorney. THE  
13 LAW REQUIRES AN ATTORNEY OR BANKRUPTCY  
14 PETITION PREPARER TO GIVE YOU A WRITTEN  
15 CONTRACT SPECIFYING WHAT THE ATTORNEY  
16 OR BANKRUPTCY PETITION PREPARER WILL DO  
17 FOR YOU AND HOW MUCH IT WILL COST. Ask to  
18 see the contract before you hire anyone.

19       “‘The following information helps you understand  
20 what must be done in a routine bankruptcy case to help  
21 you evaluate how much service you need. Although bank-  
22 ruptcy can be complex, many cases are routine.

23       “‘Before filing a bankruptcy case, either you or your  
24 attorney should analyze your eligibility for different forms  
25 of debt relief made available by the Bankruptcy Code and

1 which form of relief is most likely to be beneficial for you.  
2 Be sure you understand the relief you can obtain and its  
3 limitations. To file a bankruptcy case, documents called  
4 a Petition, Schedules and Statement of Financial Affairs,  
5 as well as in some cases a Statement of Intention need  
6 to be prepared correctly and filed with the bankruptcy  
7 court. You will have to pay a filing fee to the bankruptcy  
8 court. Once your case starts, you will have to attend the  
9 required first meeting of creditors where you may be ques-  
10 tioned by a court official called a “trustee” and by credi-  
11 tors.

12 “If you choose to file a chapter 7 case, you may be  
13 asked by a creditor to reaffirm a debt. You may want help  
14 deciding whether to do so and a creditor is not permitted  
15 to coerce you into reaffirming your debts.

16 “If you choose to file a chapter 13 case in which  
17 you repay your creditors what you can afford over three  
18 to five years, you may also want help with preparing your  
19 chapter 13 plan and with the confirmation hearing on your  
20 plan which will be before a bankruptcy judge.

21 “If you select another type of relief under the Bank-  
22 ruptcy Code other than chapter 7 or chapter 13, you will  
23 want to find out what needs to be done from someone fa-  
24 miliar with that type of relief.

1           “Your bankruptcy case may also involve litigation.  
2 You are generally permitted to represent yourself in litiga-  
3 tion in bankruptcy court, but only attorneys, not bank-  
4 ruptcy petition preparers, can give you legal advice.’.

5           “(c) Except to the extent the debt relief agency pro-  
6 vides the required information itself after reasonably dili-  
7 gent inquiry of the assisted person or others so as to ob-  
8 tain such information reasonably accurately for inclusion  
9 on the petition, schedules or statement of financial affairs,  
10 a debt relief agency providing bankruptcy assistance to an  
11 assisted person, to the extent permitted by nonbankruptcy  
12 law, shall provide each assisted person at the time re-  
13 quired for the notice required under subsection (a)(1) rea-  
14 sonably sufficient information (which shall be provided in  
15 a clear and conspicuous writing) to the assisted person  
16 on how to provide all the information the assisted person  
17 is required to provide under this title pursuant to section  
18 521, including—

19           “(1) how to value assets at replacement value,  
20 determine current monthly income, the amounts  
21 specified in section 707(b)(2)) and, in a chapter 13  
22 case, how to determine disposable income in accord-  
23 ance with section 707(b)(2) and related calculations;

1           “(2) how to complete the list of creditors, in-  
2           cluding how to determine what amount is owed and  
3           what address for the creditor should be shown; and

4           “(3) how to determine what property is exempt  
5           and how to value exempt property at replacement  
6           value as defined in section 506 of this title.

7           “(d) A debt relief agency shall maintain a copy of  
8           the notices required under subsection (a) of this section  
9           for two years after the date on which the notice is given  
10          the assisted person.”.

11          (b) CONFORMING AMENDMENT.—The table of sec-  
12          tions for chapter 5 of title 11, United States Code, as  
13          amended by section 106, is amended by inserting after the  
14          item relating to section 526 the following:

          “527. Disclosures.”.

15          **SEC. 155. DEBTOR’S BILL OF RIGHTS.**

16          Subchapter II of chapter 5 of title 11, United States  
17          Code, as amended by sections 106 and 154, is amended  
18          by adding at the end the following:

19          **“§ 528. Debtor’s bill of rights**

20          “(a) A debt relief agency shall—

21                  “(1) no later than five business days after the  
22                  first date on which a debt relief agency provides any  
23                  bankruptcy assistance services to an assisted person,  
24                  but prior to such assisted person’s petition under  
25                  this title being filed, execute a written contract with

1 the assisted person specifying clearly and conspicu-  
2 ously the services the agency will provide the as-  
3 sisted person and the basis on which fees or charges  
4 will be made for such services and the terms of pay-  
5 ment, and give the assisted person a copy of the  
6 fully executed and completed contract in a form the  
7 person can keep;

8 “(2) disclose in any advertisement of bank-  
9 ruptcy assistance services or of the benefits of bank-  
10 ruptcy directed to the general public (whether in  
11 general media, seminars or specific mailings, tele-  
12 phonic or electronic messages or otherwise) that the  
13 services or benefits are with respect to proceedings  
14 under this title, clearly and conspicuously using the  
15 following statement: ‘We are a debt relief agency.  
16 We help people file Bankruptcy petitions to obtain  
17 relief under the Bankruptcy Code.’ or a substantially  
18 similar statement. An advertisement shall be of  
19 bankruptcy assistance services if it describes or of-  
20 fers bankruptcy assistance with a chapter 13 plan,  
21 regardless of whether chapter 13 is specifically men-  
22 tioned, including such statements as ‘federally super-  
23 vised repayment plan’ or ‘Federal debt restructuring  
24 help’ or other similar statements which would lead  
25 a reasonable consumer to believe that help with

1 debts was being offered when in fact in most cases  
2 the help available is bankruptcy assistance with a  
3 chapter 13 plan; and

4 “(3) if an advertisement directed to the general  
5 public indicates that the debt relief agency provides  
6 assistance with respect to credit defaults, mortgage  
7 foreclosures, lease eviction proceedings, excessive  
8 debt, debt collection pressure, or inability to pay any  
9 consumer debt, disclose conspicuously in that adver-  
10 tisement that the assistance is with respect to or  
11 may involve proceedings under this title, using the  
12 following statement: ‘We are a debt relief agency.  
13 We help people file Bankruptcy petitions to obtain  
14 relief under the Bankruptcy Code.’ or a substantially  
15 similar statement.”.

16 (b) CONFORMING AMENDMENT.—The table of sec-  
17 tions for chapter 5 of title 11, United States Code, as  
18 amended by sections 106 and 154, is amended by inserting  
19 after the item relating to section 527, the following:

“528. Debtor’s bill of rights.”.