

Guide to Judiciary Policy

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Ch. 11: Chapter 7 Trustee Payments

Appx. 11A: Regulations for Trustee Payments Under 11 U.S.C. § 330(e)

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Section 1: Overview

(a) Purpose and Authority

These regulations are authorized under [11 U.S.C. § 330\(e\)](#) (Compensation of officers), subsection (e)(6) of which requires the Director of the Administrative Office of the U.S. Courts (AO) to issue regulations governing the administration of a payment to trustees who rendered services in a case under chapter 7 of title 11 of the United States Code (Bankruptcy Code). These regulations establish the eligibility and process for chapter 7 trustees to make claims for payment under § 330(e).

(b) Applicability

These regulations apply to the following:

- U.S. territorial courts (Guam, Northern Mariana Islands, and the U.S. Virgin Islands)
- U.S. bankruptcy courts
- Administrative Office of the U.S. Courts
- Trustees serving in cases filed under or converted to [11 U.S.C. chapter 7 \(Liquidation\)](#)

Section 1(c) Definitions	
Chapter 7 Trustee Fund	The fund established in the Treasury of the United States by 11 U.S.C. § 330(e)(1) from which payments under § 330(e) are made.
Chapter 7 Trustee Payments	Per-case compensation paid to the chapter 7 trustee. See: 11 U.S.C. § 330(b) (Compensation of officers) and (e) , and Bankruptcy Court Miscellaneous Fee Schedule (28 U.S.C. § 1930) .
Judiciary	The judicial branch of the United States government.
United States Trustee System Fund	The special fund established in the Treasury of the United States by 28 U.S.C. § 589a(a) .

Section 2: In General

- (a) A chapter 7 trustee serving in a case filed under chapter 7 on or after January 12, 2021, and through September 30, 2026 (or a case originally filed under chapters 11, 12, or 13 on or after January 12, 2021, and later converted to chapter 7 on or before September 30, 2026) is eligible to receive up to \$60 in compensation for each applicable case. **See:** [Bankruptcy Administration Improvement Act of 2020](#), Pub. L. No. 116-325, § 3(e)(2)(A).
- (b) Only one payment will be issued under [11 U.S.C. § 330\(e\)](#) in each applicable case. **See:** [Section 5\(b\)](#).
- (c) These payments are funded from quarterly fees collected by the Department of Justice (DOJ) and deposited in the United States Trustee System Fund in cases filed under chapter 11. **See:** [28 U.S.C. §§ 589a\(f\), 1930\(a\)\(6\)](#).
- (d) Amounts available for payment to chapter 7 trustees are determined annually based on:
- the available balance in the United States Trustee System Fund under [28 U.S.C. § 589a\(f\)](#) (**see:** [Section 3 \(Determining Available Balance and Number of Applicable Cases\)](#)), and
 - the case count of new filings and cases converted to chapter 7 during a fiscal year (**see:** [28 U.S.C. § 589a\(f\)\(1\)\(C\)](#); [11 U.S.C. § 330\(e\)\(3\)](#)).

Section 3: Determining Available Balance and Number of Applicable Cases

(a) Following the end of fiscal years 2021 through 2026, the AO Director must determine the following:

(1) The judiciary's costs of administering payments under [11 U.S.C. § 330\(e\)](#) and these regulations. **See:** [28 U.S.C. § 589a\(f\)\(1\)\(B\)](#).

These amounts may include, but are not limited to:

(A) Drafting and maintaining these regulations;

(B) Annual processes to determine the appropriate amounts to be paid to eligible trustees under [11 U.S.C. § 330\(e\)\(4\)](#) and [Section 4 \(Calculating Per-Case Payment for Each Fiscal Year\)](#), and to develop guidance and provide ongoing support related to certifying such payments;

(C) Oversight, management, audit, and reconciliation of the Chapter 7 Trustee Fund;

(D) Software enhancements to judiciary case management and financial systems to administer these regulations; and

(E) Relevant staff costs associated with the above.

(2) Amounts to fund all payments authorized by [11 U.S.C. § 330\(e\)\(2\)](#). **See:** [Section 4 \(Calculating Per-Case Payment for Each Fiscal Year\)](#); [28 U.S.C. § 589a\(f\)\(1\)\(C\)](#).

(b) Calculating the Amount Available for Section 330(e) Payments

Under [11 U.S.C. § 330\(e\)\(4\)](#), a trustee who has rendered services in an applicable chapter 7 case is eligible to receive, for each such chapter 7 case, the lesser of \$60 or a pro rata share of the fees collected under [28 U.S.C. § 1930\(a\)\(6\)](#) and deposited to the United States Trustee System Fund under [28 U.S.C. § 589a\(f\)\(1\)](#) less the amounts specified in § 589a(f)(1)(A) and (B).

(1) Following the end of each fiscal year, the judiciary will determine the number of applicable cases under [11 U.S.C. § 330\(e\)\(4\)](#) for that fiscal year.

- (2) Funds available for transfer from the United States Trustee System Fund to the Chapter 7 Trustee Fund to pay eligible chapter 7 trustees is determined after applying the following offsets:
 - (A) For each of fiscal years 2021 through 2026, \$5,400,000 of fees collected under [28 U.S.C. § 1930\(a\)\(6\)](#). **See:** [28 U.S.C. § 589a\(f\)\(2\)](#); [Bankruptcy Administration Improvement Act of 2020](#), Pub. L. No. 116-325, § 3(a)(2).
 - (B) An amount necessary to fund the DOJ appropriations act for that fiscal year to offset the cost of the operations of United States trustees. **See:** [28 U.S.C. § 589a\(a\)](#) and [\(f\)\(1\)\(A\)](#).
 - (C) The amounts determined in subparagraph (a)(1) above that are necessary to reimburse the judiciary for the costs of administering payments under [11 U.S.C. § 330\(e\)](#).
 - (3) The funds remaining after the three offsets described above in subparagraph (b)(2) are available to transfer to the Chapter 7 Trustee Fund for payment to eligible chapter 7 trustees under § 330(e). **See:** [Section 4 \(Calculating Per-Case Payment for Each Fiscal Year\)](#).
- (c) Calculating the Number of Applicable Chapter 7 Cases
- (1) The judiciary will calculate and determine the case count for the applicable fiscal year. The following cases will be included in the case count calculation.
 - (A) For fiscal year 2021:
 - (i) any chapter 7 case filed on or after January 12, 2021, and through September 30, 2021, and
 - (ii) any case filed under chapter 11, 12, or 13 on or after January 12, 2021, and later converted to chapter 7 on or before September 30, 2021.
 - (B) For fiscal years 2022 through 2026:
 - (i) any chapter 7 case filed during the applicable fiscal year, and
 - (ii) any case filed under chapter 11, 12, or 13 on or after January 12, 2021, and later converted to chapter 7 during the applicable fiscal year.

See: [Bankruptcy Administration Improvement Act of 2020](#), Pub. L. No. 116-325, § 3(e)(2)(A).

- (2) Chapter 7 case counts will be derived from case filing data compiled by the judiciary.

Section 4: Calculating Per-Case Payment for Each Fiscal Year

- (a) To determine the per-case payment under [11 U.S.C. § 330\(e\)](#) for the applicable fiscal year, the amount available under [Section 3\(b\) \(Calculating the Amount Available for Section 330\(e\) Payments\)](#) is divided by the chapter 7 case count defined in [Section 3\(c\) \(Calculating the Number of Applicable Chapter 7 Cases\)](#).
 - (1) If the amount is \$60 or greater, then the per-case payment for that fiscal year will be \$60 and the AO Director will request that an amount equal to \$60 multiplied by the chapter 7 case count defined by [Section 3\(c\) \(Calculating the Number of Applicable Chapter 7 Cases\)](#) be transferred from the United States Trustee System Fund to the Chapter 7 Trustee Fund.
 - (2) If the amount is less than \$60, the per-case payment for that fiscal year will be the pro rata share as calculated in [Section 3\(b\) \(Calculating the Amount Available for Section 330\(e\) Payments\)](#), and the AO Director will request that the full available balance be transferred from the United States Trustee System Fund to the Chapter 7 Trustee Fund.
 - (3) The AO Director will request the amount determined in subparagraphs (a)(1) or (a)(2) above, which will be available for payment to eligible chapter 7 trustees who meet the requirements of [Section 5 \(Trustee Eligibility for Payment\)](#), below.
- (b) The amount of the payment each fiscal year is fixed under [11 U.S.C. § 330\(e\)\(4\)](#) and the determination described in [Section 3\(b\) \(Calculating the Amount Available for Section 330\(e\) Payments\)](#).

Section 5: Trustee Eligibility for Payment

- (a) Eligibility to Claim Payment Under [11 U.S.C. § 330\(e\)](#)
 - (1) A trustee who has rendered services in an applicable case must make a claim for the payment described in [Section 4 \(Calculating](#)

[Per-Case Payment for Each Fiscal Year](#)) by filing the certification described below in subparagraph (a)(3).

- (2) Being appointed as the trustee in an applicable case does not by itself qualify a trustee for the payment.
- (3) Rendered services is evidenced by the trustee filing a certification with the court that the trustee has performed one of the following duties outlined in [11 U.S.C. § 704](#) and the [Federal Rules of Bankruptcy Procedure](#) in an applicable case:
 - (A) Conducting or filing any document required by rule or statute related to a meeting of creditors required by [11 U.S.C. § 341](#);
 - (B) Filing a report of no distribution;
 - (C) Filing a notice of assets;
 - (D) Filing a motion or notice to dismiss or convert the case; or
 - (E) Filing the chapter 7 trustee's final report.
- (4) Only one certification by one trustee may be filed in each applicable case. Trustees need not file multiple certifications for each action defined above in subparagraph (a)(3).
- (5) The certification may not be filed sooner than seven days after the trustee has been notified of selection in a case. **See:** [Fed. R. Bankr. P. 2008](#).
- (6) To ensure timely payments to trustees, the certification required by subparagraph (a)(3) should be filed no later than 90 days after the later of the following two events:
 - (A) The judiciary posting the annual notice on its [public website](#) that payments can commence for the prior fiscal year; or
 - (B) The event that supports the certification that the trustee has rendered services under subparagraph (a)(3).
- (7) A trustee who has not promptly filed the required certification under subparagraph (a)(6) may submit their claim under [Section 7\(b\)](#).

- (8) A trustee is eligible for payment without regard to whether the debtor has paid, or the court has waived, the filing fee in the case. **See:** [28 U.S.C. § 1930\(f\)](#); [Fed. R. Bankr. P. 1006\(b\)](#).
- (9) Examples of cases in which no trustee will be eligible for payment under these regulations may include:
- (A) A case filed under or converted to chapter 7 in the applicable fiscal year that is dismissed before a trustee is appointed;
 - (B) A case filed under or converted to chapter 7 in the applicable fiscal year in which the trustee did not “render services” under Section 5(a)(3); or
 - (C) A rejection of appointment filed by a trustee. **See:** [Fed. R. Bankr. P. 2008](#).
- (b) Under [28 U.S.C. § 589a\(f\)](#) and [11 U.S.C. § 330\(e\)\(4\)](#), only one § 330(e) payment will be issued in each applicable case counted under [Section 3\(c\) \(Calculating the Number of Applicable Chapter 7 Cases\)](#).
- (c) Multiple Trustees Assigned in the Same Case
- In a chapter 7 case in which more than one trustee has been assigned during the case, the chapter 7 trustee who filed the certification in the case will receive the disbursement.
- (d) Transferred Cases
- In an applicable case that is filed in one district and later transferred to another district, both chapter 7 trustees who rendered services in the transferring and receiving districts and filed the required certification in the case may be paid, provided that:
- (1) The other requirements in these regulations are also satisfied (**see:** [Section 5\(a\) \(Eligibility to Claim Payment Under 11 U.S.C. § 330\(e\)\)](#)); and
 - (2) Both cases are applicable cases for § 330(e) payments under [Section 3\(c\) \(Calculating the Number of Applicable Chapter 7 Cases\)](#).
- (e) Converted or Reconverted Cases

A trustee assigned to an applicable chapter 7 case that is later converted to a case under another chapter (including those that are later reconverted

back to chapter 7) may be eligible for payment for rendered services under [Section 5\(a\) \(Eligibility to Claim Payment Under 11 U.S.C. § 330\(e\)\)](#).

(f) Split or Severed Cases

Split or severed cases constitute two cases for purposes of payment eligibility. In addition to the trustee serving in the previously filed joint case, a trustee serving in an applicable chapter 7 case that is split or severed from a previously filed joint case may be eligible for payment for rendered services under [Section 5\(a\) \(Eligibility to Claim Payment Under 11 U.S.C. § 330\(e\)\)](#).

(g) Re-opened Cases

A trustee serving in an applicable chapter 7 case that has been re-opened may be eligible for payment for rendered services under [Section 5\(a\) \(Eligibility to Claim Payment Under 11 U.S.C. § 330\(e\)\)](#) only if a previous certification had not been filed. **See:** [Section 5\(b\) \(Multiple Trustees Assigned in the Same Case\)](#).

Section 6: Disbursing Section 330(e) Payments

The chapter 7 trustee asserts a claim for payment under [11 U.S.C. § 330\(e\)](#) by filing a certification with the court that they have rendered services in the case. The certification must be filed in each case for which a trustee seeks payment and must specify the basis in [Section 5\(a\)\(3\)](#) upon which the certification is made. Payments will be made on the following timeline:

- (a) Payments under these regulations may not be made until the eligible chapter 7 trustee files the required certification, the amount available to make all payments is determined under [Section 3 \(Determining Available Balance and Number of Applicable Cases\)](#), and the funds have been made available in the Chapter 7 Trustee Fund.
- (b) Payments will not be issued until after the end of the applicable fiscal year to allow for making the calculations under [Section 3 \(Determining Available Balance and Number of Applicable Cases\)](#) and [Section 4 \(Calculating Per-Case Payment for Each Fiscal Year\)](#). Trustee payments under [11 U.S.C. § 330\(e\)](#) will be issued without regard to the timing of the payment made under [11 U.S.C. § 330\(b\)](#).
- (c) After the amount is determined, the judiciary will publish on its [public website](#) the payment amount for each applicable case filed under or

converted to chapter 7 during that fiscal year and information on the timing of when the payments under [11 U.S.C. § 330\(e\)](#) will be processed.

- (d) To the extent practicable, trustees will be paid in lump sums for all applicable cases by fiscal year.

Section 7: Claims for Section 330(e) Payment

- (a) If an eligible chapter 7 trustee has certified that he or she has rendered services under [Section 5 \(Trustee Eligibility for Payment\)](#) but has not received the 11 U.S.C. § 330(e) payment, the trustee should contact the applicable bankruptcy court no sooner than 60 days after payments have been disbursed for the most recent prior fiscal year (**see:** [Section 6\(a\) \(Payment Timeline\)](#)).
- (b) A chapter 7 trustee who seeks payment under § 330(e) for rendered services for a basis not covered by these regulations or whose certification was not promptly filed under [Section 5\(a\)\(6\)](#) may submit a claim for payment to the AO Director by email to aoml_baia2020@ao.uscourts.gov or by mail at One Columbus Circle NE, Washington, DC 20544. The AO will review the case, determine whether the trustee is eligible for payment under these regulations, and, if appropriate, issue the payment. A claim under this paragraph must:
 - (1) Be made in writing;
 - (2) Provide the basis for payment eligibility; and
 - (3) Contain the signature and address of the claimant or an authorized representative.
- (c) A claim under these regulations must be received by the AO within six years after the claim accrues. **See:** [31 U.S.C. § 3702\(b\)](#).