

BANKRUPTCY ADMINISTRATOR WESTERN DISTRICT OF NORTH CAROLINA

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October 17, 2025

The federal judiciary has been operating on fee revenue and no-year appropriations since the lapse in appropriations that started on October 1, 2025. These funds have been exhausted, and the judiciary will be entering “Phase 2” of a lapse in appropriations on Monday, October 20, 2025. During Phase 2, to avoid violations of the Anti-Deficiency Act, [31 U.S.C. §§ 1341, 1342](#), the Bankruptcy Administrator for the Western District of North Carolina (“NCWBA”) must reduce operations to only those obligations and expenditures necessary for the performance of “excepted activities.” No funding will be available to pay these obligations until Congress enacts funding legislation.

During Phase 2, NCWBA’s office is closed to the public. Staff will continue only those functions necessary to perform excepted activities in which there is a definite risk of substantial property loss or violation of law.

Relevant to § 341 meetings of creditors, NCWBA will:

- prepare and post schedules for meetings of creditors;
- host meetings of creditors via Zoom for Government or, as necessary, at divisional courthouses; and
- contract for interpreter services.

For Chapter 11 cases, NCWBA will

- appoint subchapter V trustees to newly filed cases and chapter 11 trustees if ordered by the bankruptcy court;
- conduct intake conferences;
- solicit membership for chapter 11 creditors’ committees; and
- other functions in which there is a definite risk of substantial property loss or violation of law.