



Satversmes tiesa

Press Release

Case No. 2022-08-01

28.02.2022.

A case initiated with respect to a norm that provides that remuneration is not specified for the administrator of insolvency proceedings if they are removed from insolvency proceedings of a legal person

On 25 February 2022, the 3rd Panel of the Constitutional Court initiated the case “On Compliance of Section 169 (6) of the Insolvency Law with Article 107 of the *Satversme* of the Republic of Latvia”.

THE CONTESTED NORM

Section 169 (6) of the Insolvency Law provides that remuneration is not specified for the administrator if he or she is removed from insolvency proceedings of a legal person for the reasons referred to in Section 22, Paragraph two, Clause 1, 2, 3, 4, or 7 of this Law.

THE NORM OF HIGHER LEGAL FORCE

Article 107 of the Satversme of the Republic of Latvia (hereafter – the *Satversme*): “Every employed person has the right to receive, for work done, commensurate remuneration which shall not be less than the minimum wage established by the State, and has the right to weekly holidays and a paid annual vacation.”

THE FACTS

The case was initiated on the basis of an application submitted by Evita Kaužēna (hereafter – the Applicant). She had performed the duties of an administrator in insolvency

proceedings of a legal person for more than two years. The Applicant had been removed from discharge of these duties by a court's decision due to reasons referred to in Para 7 of Section 20 (1), as well as Para 1 and Para 2 of Section 22 (2). The Applicant notes that, pursuant to the contested norm, she has been fully denied the right to receive remuneration for the work done.

The Applicant holds that the contested norm is incompatible with Article 107 of the *Satversme* because her right to receive remuneration for work had been disproportionately restricted.

LEGAL PROCEEDINGS

The Constitutional Court has requested the *Saeima*, the institution, which issued the contested act, to submit to the Constitutional Court **by 25 April 2022** a written reply, presenting the facts of the case and legal substantiation.

- The term for preparing the case is **25 July 2022**.

The Court will decide on the type of proceedings for hearing the case and the date after the case has been prepared.

The decision on initiating the case is available here: https://www.satv.tiesa.gov.lv/wp-content/uploads/2022/02/2022-08-01_lemums_par_ierosinasanu.pdf

The press release was prepared to inform society about the Constitutional Court's work. More detailed information about recent developments, cases initiated and heard by the Constitutional Court is available on the Constitutional Court's webpage www.satv.tiesa.gov.lv. Please follow also information published on the Court's *Twitter* account [@Satv_tiesa](https://twitter.com/Satv_tiesa) and *Youtube* [channel](#).

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