

S 1970

Bankruptcy Fairness Act

Congress: 108 (2003–2005, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Nov 25, 2003

Current Status: Read twice and referred to the Committee on the Judiciary.

Latest Action: Read twice and referred to the Committee on the Judiciary. (Nov 25, 2003)

Official Text: <https://www.congress.gov/bill/108th-congress/senate-bill/1970>

Sponsor

Name: Sen. Rockefeller, John D., IV [D-WV]

Party: Democratic • **State:** WV • **Chamber:** Senate

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	Senate	Referred To	Nov 25, 2003

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Bankruptcy Fairness Act - Amends Federal bankruptcy law to increase from \$4650 to \$15,000 the aggregate amount of a claim to recover employee wages and benefits that has priority ranking among unsecured creditor claims.

Authorizes the bankruptcy court to avoid any transfer of compensation made to debtor's personnel or a member of its board of directors 90 days before the date of the filing of the bankruptcy petition if the court finds the transfer to be either out of the ordinary course of business, or unjust enrichment.

Revises guidelines governing payment of insurance benefits accrued by retirees to provide that: (1) a retiree whose benefits have been modified during the bankruptcy process shall have a claim for the value of the benefits lost as a result of such modification; and (2) the debtor shall pay such retiree the cost of 18 months of insurance premiums on behalf of the retiree and dependents.

Expands the prerequisites for confirmation of a bankruptcy reorganization plan to require that the holder of such retiree insurance claim receive from the debtor, on the effective date of the plan, cash equal to the cost of 18 months of the retiree's insurance premiums.

Actions Timeline

- **Nov 25, 2003:** Introduced in Senate
- **Nov 25, 2003:** Sponsor introductory remarks on measure. (CR S16014-16015)
- **Nov 25, 2003:** Read twice and referred to the Committee on the Judiciary.