

S 2556

Fairness and Accountability in Reorganizations Act of 2006

Congress: 109 (2005–2007, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Apr 6, 2006

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

Latest Action: Read twice and referred to the Committee on the Judiciary. (Apr 6, 2006)

Official Text: <https://www.congress.gov/bill/109th-congress/senate-bill/2556>

Sponsor

Name: Sen. Bayh, Evan [D-IN]

Party: Democratic • State: IN • Chamber: Senate

Cosponsors (10 total)

| Cosponsor                         | Party / State | Role | Date Joined  |
|-----------------------------------|---------------|------|--------------|
| Sen. Dayton, Mark [D-MN]          | D · MN        |      | Apr 24, 2006 |
| Sen. Durbin, Richard J. [D-IL]    | D · IL        |      | Apr 24, 2006 |
| Sen. Kerry, John F. [D-MA]        | D · MA        |      | Apr 24, 2006 |
| Sen. Leahy, Patrick J. [D-VT]     | D · VT        |      | Apr 25, 2006 |
| Sen. Stabenow, Debbie [D-MI]      | D · MI        |      | Apr 25, 2006 |
| Sen. Levin, Carl [D-MI]           | D · MI        |      | Apr 26, 2006 |
| Sen. Boxer, Barbara [D-CA]        | D · CA        |      | May 4, 2006  |
| Sen. Biden, Joseph R., Jr. [D-DE] | D · DE        |      | May 11, 2006 |
| Sen. Harkin, Tom [D-IA]           | D · IA        |      | May 16, 2006 |
| Sen. Lieberman, Joseph I. [D-CT]  | D · CT        |      | May 25, 2006 |

Committee Activity

| Committee           | Chamber | Activity    | Date        |
|---------------------|---------|-------------|-------------|
| Judiciary Committee | Senate  | Referred To | Apr 6, 2006 |

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

| Bill        | Relationship   | Last Action  |
|-------------|----------------|--|
| 109 HR 5113 | Identical bill | Apr 6, 2006: Referred to the House Committee on the Judiciary. |

Fairness and Accountability in Reorganizations Act of 2006 - Revises federal bankruptcy law to add to the conditions for court confirmation of a corporate reorganization plan that the compensation of an insider who will be employed or retained by the reorganized debtor has been approved by, or is subject to the approval of, the court, as reasonable.

Prohibits the payment of a compensation enhancement in order to induce an insider of the debtor to remain with the debtor's business, unless the court finds that any transfers or obligations to or for the insider's benefit are essential to the survival of the business, or to the orderly liquidation and maximization of the value of the debtor's assets.

Revises requirements for collective bargaining agreements and retiree health benefits to instruct the court to take into account the ongoing impact on the debtor of the debtor's relationship with all subsidiaries and affiliates, regardless of whether domestic or foreign, or whether any such subsidiary or affiliate is a debtor entity.

### **Actions Timeline**

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- **Apr 6, 2006:** Introduced in Senate
- **Apr 6, 2006:** Read twice and referred to the Committee on the Judiciary.