

S 2092

Protecting Employees and Retirees in Business Bankruptcies Act of 2007

Congress: 110 (2007–2009, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Sep 25, 2007

Current Status: Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S12063

Latest Action: Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S12063-12067) (Sep 25, 2007)

Official Text: <https://www.congress.gov/bill/110th-congress/senate-bill/2092>

Sponsor

Name: Sen. Durbin, Richard J. [D-IL]

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

Cosponsors (11 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Feingold, Russell D. [D-WI]	D · WI		Sep 25, 2007
Sen. Kennedy, Edward M. [D-MA]	D · MA		Sep 25, 2007
Sen. Obama, Barack [D-IL]	D · IL		Sep 25, 2007
Sen. Brown, Sherrod [D-OH]	D · OH		Sep 26, 2007
Sen. Clinton, Hillary Rodham [D-NY]	D · NY		Nov 13, 2007
Sen. Boxer, Barbara [D-CA]	D · CA		Jan 22, 2008
Sen. Harkin, Tom [D-IA]	D · IA		Jul 17, 2008
Sen. Menendez, Robert [D-NJ]	D · NJ		Jul 28, 2008
Sen. Kerry, John F. [D-MA]	D · MA		Jul 31, 2008
Sen. Biden, Joseph R., Jr. [D-DE]	D · DE		Sep 15, 2008
Sen. Dodd, Christopher J. [D-CT]	D · CT		Nov 17, 2008

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	Senate	Referred To	Sep 25, 2007

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
110 HR 3652	Identical bill	Oct 12, 2007: Referred to the Subcommittee on Commercial and Administrative Law.

Protecting Employees and Retirees in Business Bankruptcies Act of 2007 - Amends federal bankruptcy law to increase the maximum amount per individual or corporation of unsecured claims ranked in the fourth (wages, salaries, or commissions) and fifth (employee benefit plan contributions) order of priority.

Includes within the scope of a claim in bankruptcy certain equity securities held in a defined contribution plan for the benefit of certain individuals.

Ranks in sixth order of priority the diminished value of debtor's equity securities held in a defined contribution plan if the employer or plan sponsor committed fraud regarding the plan.

Permits within administrative expenses certain severance pay for termination or layoffs.

Prohibits certain senior executive compensation from being disproportionate in light of economic concessions by debtor's nonmanagement workforce.

Disallows as an administrative expense specified executive compensation enhancements.

Revises requirements governing: (1) rejection of collective bargaining agreements; (2) insurance benefits for retired employees; and (3) the status of certain employee benefits in a sale of business assets.

Allows defined benefit plan participants to file claims for certain shortfalls in pension benefits.

Permits inclusion within the necessary costs and expenses of preserving property the mandatory recovery of unpaid obligations owed to employees.

Directs the court to consider the extent to which alternative reorganization plans maintain: (1) jobs; (2) defined benefit plans; and (3) retiree health benefits.

Prohibits assumption of deferred compensation for the benefit of insiders or senior management if an employee defined benefit plan has been terminated.

Limits the recovery of executive compensation if the debtor has reduced its contractual obligations under either a collective bargaining agreement or retiree benefits plan.

Excepts from an automatic stay: (1) a dispute resolution proceeding established by a collective bargaining agreement prior to commencement of bankruptcy; or (2) an award or settlement under such proceeding.

Authorizes the bankruptcy trustee to avoid transfers made for the benefit of an insider or certain consultants in anticipation of bankruptcy.

Revises prerequisites to court confirmation of a business reorganization plan which continues retiree benefits.

Actions Timeline

- **Sep 25, 2007:** Introduced in Senate
- **Sep 25, 2007:** Sponsor introductory remarks on measure. (CR S12063)
- **Sep 25, 2007:** Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S12063-12067)