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Taxpayer Protection and Responsible Resolution Act

Congress: 113 (2013–2015, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Dec 19, 2013

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

Latest Action: Read twice and referred to the Committee on the Judiciary. (Dec 19, 2013)

Official Text: <https://www.congress.gov/bill/113th-congress/senate-bill/1861>

Sponsor

Name: Sen. Cornyn, John [R-TX]

Party: Republican • **State:** TX • **Chamber:** Senate

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Toomey, Patrick [R-PA]	R · PA		Dec 19, 2013
Sen. Crapo, Mike [R-ID]	R · ID		Jul 21, 2014
Sen. Lee, Mike [R-UT]	R · UT		Dec 9, 2014

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	Senate	Referred To	Dec 19, 2013

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
113 HR 5421	Related bill	Dec 2, 2014: Received in the Senate and Read twice and referred to the Committee on the Judiciary.

Taxpayer Protection and Responsible Resolution Act - Amends the Dodd-Frank Wall Street Reform and Consumer Protection Act to repeal Title II (Orderly Liquidation Authority), governing the bankruptcy of financial institutions.

Makes conforming amendments to the Federal Deposit Insurance Act and the Federal Reserve Act.

Amends federal bankruptcy law to add "Chapter 14 - Liquidation, Reorganization, or Recapitalization of A Covered Financial Corporation," setting forth requirements and prohibitions regarding: (1) commencement of a case concerning a covered financial corporation; (2) a special trustee and bridge company; (3) special transfer of the property of the estate in bankruptcy; (4) treatment of qualified financial contracts and affiliate contracts; (5) licenses, permits, and registrations; (6) exemption from securities laws; and (7) inapplicability of certain avoiding powers.

Defines "covered financial corporation" as one incorporated or organized under any federal or state law (other than a stockbroker, a commodity broker, or a domestic or foreign insurance company or financial institution meeting certain criteria) that is: (1) a bank holding company, or (2) predominantly engaged in activities that the Board of Governors of the Federal Reserve System has determined are financial in nature or incidental to such financial activity.

Amends the Judicial Code to require the Chief Justice of the United States to designate: (1) at least one district judge from each circuit to be available to hear appeals in a bankruptcy case concerning a covered financial corporation; and (2) a panel of at least 10 bankruptcy judges who are experts in title 11 cases in which a financial institution is a debtor, to be available also to hear a case under Chapter 14.

Prescribes requirements for the assignment of bankruptcy judges to Chapter 14 cases.

Amends the Federal Reserve Act to prohibit a Federal Reserve bank from making advances for the purpose of providing debtor-in-possession financing to either: (1) a bridge company, or (2) a covered financial corporation that is a debtor in a pending case under Chapter 14.

Actions Timeline

- **Dec 19, 2013:** Introduced in Senate
- **Dec 19, 2013:** Read twice and referred to the Committee on the Judiciary.