

S 1841

Taxpayer Protection and Responsible Resolution Act

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Jul 22, 2015

Current Status: Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S5464-

Latest Action: Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S5464-5468) (Jul 22, 2015)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/1841>

Sponsor

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

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

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Toomey, Patrick [R-PA]	R · PA		Jul 22, 2015

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	Senate	Referred To	Jul 22, 2015

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
114 HR 5983	Related bill	Dec 20, 2016: Placed on the Union Calendar, Calendar No. 693.
114 HR 5485	Related bill	Jul 12, 2016: Received in the Senate. Read twice. Placed on Senate Legislative Calendar under General Orders. Calendar No. 557.
114 HR 2947	Related bill	Apr 13, 2016: Received in the Senate and Read twice and referred to the Committee on the Judiciary.
114 S 1840	Related bill	Jul 29, 2015: Committee on Banking, Housing, and Urban Affairs Subcommittee on Financial Institutions and Consumer Protection. Hearings held. With printed Hearing: S.Hrg. 114-123.

Taxpayer Protection and Responsible Resolution Act

This bill amends federal bankruptcy law with respect to a "covered financial corporation" 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) a corporation that exists for the primary purpose of owning, controlling, and financing subsidiaries predominantly engaged in activities that are financial in nature or incidental to such an activity.

The bill adds "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.

A court may convert a case under chapter 14 to chapter 7 (Liquidation) if certain conditions are met.

The Judicial Code is amended to require the Chief Justice of the United States to designate at least 10 bankruptcy judges to be available to hear a bankruptcy case under chapter 14 .

The bill prescribes requirements for assignment of bankruptcy judges to chapter 14 cases.

No funds appropriated to the federal government may be paid to a covered financial corporation or to any of its creditors to satisfy a claim in a case under chapter 14.

Actions Timeline

- **Jul 22, 2015:** Introduced in Senate
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