

HR 1667

Financial Institution Bankruptcy Act of 2017

Congress: 115 (2017–2019, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Mar 22, 2017

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

Latest Action: Received in the Senate and Read twice and referred to the Committee on the Judiciary. (Apr 6, 2017)

Official Text: <https://www.congress.gov/bill/115th-congress/house-bill/1667>

Sponsor

Name: Rep. Marino, Tom [R-PA-10]

Party: Republican • **State:** PA • **Chamber:** House

Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Cicilline, David N. [D-RI-1]	D · RI		Mar 22, 2017
Rep. Conyers, John, Jr. [D-MI-13]	D · MI		Mar 22, 2017
Rep. Goodlatte, Bob [R-VA-6]	R · VA		Mar 22, 2017
Rep. Schneider, Bradley Scott [D-IL-10]	D · IL		Mar 30, 2017

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	House	Referred to	Mar 22, 2017
Judiciary Committee	Senate	Referred To	Apr 6, 2017

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
115 HR 3354	Related bill	Sep 27, 2017: Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 230.
115 HR 3280	Related bill	Jul 26, 2017: Committee on Appropriations Senate Subcommittee on Financial Services and General Government. Hearings held on the subject prior to measure being received from the House. Hearings printed: S. Hrg. 115-191.
115 HR 10	Related bill	Jul 13, 2017: Committee on Banking, Housing, and Urban Affairs. Hearings held. Hearings printed: S.Hrg. 115-108.

Financial Institution Bankruptcy Act of 2017

(Sec. 2) This bill amends federal bankruptcy law to allow certain large financial institutions to elect a new "Subchapter V" bankruptcy process specific to such institutions.

(Sec. 3) Under the new process, a debtor institution may request the bankruptcy court to order the transfer of the debtor's assets to a newly formed bridge company. The trust agreement governing such an assets transfer must meet specified requirements.

The court may order such an assets transfer only if it determines, by a preponderance of the evidence, that: (1) the transfer is necessary to prevent serious adverse effects on financial stability in the United States, (2) other specified requirements are met.

The bill imposes a temporary stay on actions to terminate or modify contracts with institutions that enter the Subchapter V bankruptcy process.

Members of the institution's board of directors shall have no liability to shareholders or creditors for a good faith filing of a petition to commence a Subchapter V bankruptcy case.

The bill specifies timelines with respect to the commencement of a case and the transfer of assets.

The Securities and Exchange Commission and the Federal Deposit Insurance Corporation, among other federal regulatory agencies, shall have standing in a Subchapter V bankruptcy case.

Under specified conditions, a Subchapter V bankruptcy case may be converted into a case in Chapter 7 bankruptcy (also known as "liquidation" bankruptcy).

(Sec. 4) The bill amends the federal judicial code to require the Chief Justice of the United States to designate at least 10 bankruptcy judges to be available to hear Subchapter V bankruptcy cases.

Actions Timeline

- **Apr 6, 2017:** Received in the Senate and Read twice and referred to the Committee on the Judiciary.
- **Apr 5, 2017:** Reported by the Committee on Judiciary. H. Rept. 115-80.
- **Apr 5, 2017:** Placed on the Union Calendar, Calendar No. 46.
- **Apr 5, 2017:** Mr. Goodlatte moved to suspend the rules and pass the bill, as amended.
- **Apr 5, 2017:** Considered under suspension of the rules. (consideration: CR H2715-2720)
- **Apr 5, 2017:** DEBATE - The House proceeded with forty minutes of debate on H.R. 1667.
- **Apr 5, 2017:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote.(text: CR H2715-2718)
- **Apr 5, 2017:** On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote. (text: CR H2715-2718)
- **Apr 5, 2017:** Motion to reconsider laid on the table Agreed to without objection.
- **Mar 29, 2017:** Committee Consideration and Mark-up Session Held.
- **Mar 29, 2017:** Ordered to be Reported by Voice Vote.
- **Mar 22, 2017:** Introduced in House
- **Mar 22, 2017:** Referred to the House Committee on the Judiciary.
- **Mar 22, 2017:** Referred to the Subcommittee on Regulatory Reform, Commercial And Antitrust Law.