

HR 7370

Protecting Employees and Retirees in Business Bankruptcies Act of 2020

Congress: 116 (2019–2021, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Jun 25, 2020

Current Status: Ordered to be Reported (Amended) by the Yeas and Nays: 20 - 10.

Latest Action: Ordered to be Reported (Amended) by the Yeas and Nays: 20 - 10. (Sep 29, 2020)

Official Text: <https://www.congress.gov/bill/116th-congress/house-bill/7370>

Sponsor

Name: Rep. Nadler, Jerrold [D-NY-10]

Party: Democratic • **State:** NY • **Chamber:** House

Cosponsors (28 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Cicilline, David N. [D-RI-1]	D · RI		Jun 25, 2020
Rep. Dean, Madeleine [D-PA-4]	D · PA		Jun 25, 2020
Rep. Demings, Val Butler [D-FL-10]	D · FL		Jun 25, 2020
Rep. Garcia, Sylvia R. [D-TX-29]	D · TX		Jun 25, 2020
Rep. Jayapal, Pramila [D-WA-7]	D · WA		Jun 25, 2020
Rep. Johnson, Henry C. "Hank," Jr. [D-GA-4]	D · GA		Jun 25, 2020
Rep. Norcross, Donald [D-NJ-1]	D · NJ		Jun 25, 2020
Rep. Scanlon, Mary Gay [D-PA-5]	D · PA		Jun 25, 2020
Rep. Brownley, Julia [D-CA-26]	D · CA		Jul 16, 2020
Rep. Visclosky, Peter J. [D-IN-1]	D · IN		Aug 7, 2020
Rep. Cooper, Jim [D-TN-5]	D · TN		Aug 22, 2020
Rep. Davis, Danny K. [D-IL-7]	D · IL		Aug 22, 2020
Rep. Levin, Mike [D-CA-49]	D · CA		Aug 22, 2020
Rep. Napolitano, Grace F. [D-CA-32]	D · CA		Aug 22, 2020
Rep. Beatty, Joyce [D-OH-3]	D · OH		Sep 8, 2020
Rep. Lowenthal, Alan S. [D-CA-47]	D · CA		Sep 8, 2020
Rep. Omar, Ilhan [D-MN-5]	D · MN		Sep 8, 2020
Rep. Pingree, Chellie [D-ME-1]	D · ME		Sep 8, 2020
Rep. Pocan, Mark [D-WI-2]	D · WI		Sep 8, 2020
Rep. Schakowsky, Janice D. [D-IL-9]	D · IL		Sep 8, 2020
Rep. Escobar, Veronica [D-TX-16]	D · TX		Sep 15, 2020
Rep. Hastings, Alcee L. [D-FL-20]	D · FL		Sep 15, 2020
Rep. Lieu, Ted [D-CA-33]	D · CA		Sep 15, 2020
Rep. Swalwell, Eric [D-CA-15]	D · CA		Sep 15, 2020
Rep. Jackson Lee, Sheila [D-TX-18]	D · TX		Sep 24, 2020
Rep. Neguse, Joe [D-CO-2]	D · CO		Sep 24, 2020
Rep. Smith, Adam [D-WA-9]	D · WA		Sep 24, 2020
Rep. Kildee, Daniel T. [D-MI-5]	D · MI		Sep 30, 2020

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	House	Markup By	Sep 29, 2020

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
116 S 4089	Related bill	Jun 25, 2020: Read twice and referred to the Committee on the Judiciary. (text: CR S3314-3319)

Protecting Employees and Retirees in Business Bankruptcies Act of 2020

This bill modifies provisions related to Chapter 11 bankruptcy, which typically involves the reorganization of a debtor company's assets and debts. Specifically, the bill (1) expands available claims and priorities for employees and retirees, and (2) places additional restrictions on the compensation of executives and other high level employees.

With respect to employee and retiree recoveries and losses, the bill

- increases the maximum value and age of specified wage and benefit claims entitled to priority payment;
- allows certain claims for losses related to defined contribution plans, if the employer or plan sponsor has committed fraud or otherwise breached its fiduciary duty;
- allows, as an administrative expense of the estate, severance pay owed to employees and contributions to an employee benefit plan;
- establishes certain restrictions regarding the rejection or amendment of a collective bargaining agreement;
- revises specified procedures related to the reduction or denial of retiree benefits;
- requires a court, in approving a sale of business assets, to consider the extent to which a bidder has offered to maintain existing jobs and assume benefit obligations; and
- allows claims related to pension losses.

With respect to executive compensation, the bill

- establishes specified limitations related to executive compensation enhancements,
- prohibits executives from receiving certain retiree benefits if such benefits were reduced or eliminated for other employees or retirees, and
- revises other requirements related to court approval of such compensation.

Actions Timeline

- **Sep 29, 2020:** Committee Consideration and Mark-up Session Held.
- **Sep 29, 2020:** Ordered to be Reported (Amended) by the Yeas and Nays: 20 - 10.
- **Sep 15, 2020:** Committee Consideration and Mark-up Session Held.
- **Jun 25, 2020:** Introduced in House
- **Jun 25, 2020:** Referred to the House Committee on the Judiciary.