

108TH CONGRESS  
2D SESSION

# H. R. 3808

To amend title 11 of the United States Code to provide priority for the payment of employee claims arising under the Worker Adjustment and Retraining Notification Act.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2004

Mr. GUTIERREZ introduced the following bill; which was referred to the Committee on the Judiciary

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## A BILL

To amend title 11 of the United States Code to provide priority for the payment of employee claims arising under the Worker Adjustment and Retraining Notification Act.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Safeguarding Assets  
5 For Employees in Bankruptcy Act of 2004”.

6 **SEC. 2. PRIORITIES.**

7 (a) PRIORITIES.—Section 507 (a) of title 11 , United  
8 States Code, is amended—

1           (1) in paragraph (3) by striking “earned within  
2           90 days before the date of the filing of the petition  
3           or the date of the cessation of the debtor’s business,  
4           whichever occurs first,”

5           (2) in paragraphs (3) and (4), by striking  
6           “\$4,000” and inserting “\$20,000”,

7           (3) by redesignating paragraphs (5) through  
8           (9) as paragraphs (6) through (10), respectively,

9           (4) in paragraph (6), as so redesignated, by  
10          striking “Fifth” and inserting “Sixth”,

11          (5) in paragraph (7), as so redesignated, by  
12          striking “Sixth” and inserting “Seventh”,

13          (6) in paragraph (8), as so redesignated, by  
14          striking “Seventh” and inserting “Eighth”,

15          (7) in paragraph (9), as so redesignated, by  
16          striking “Eighth” and inserting “Ninth”,

17          (8) in paragraph (10), as so redesignated, by  
18          striking “Ninth” and inserting “Tenth”,

19          (9) in paragraph (11), as so redesignated, by  
20          striking “Tenth” and inserting “Eleventh”,

21          (10) in paragraph (10), as so redesignated, by  
22          striking “Tenth” and inserting “Eleventh”, and

23          (11) by inserting after paragraph (4) the fol-  
24          lowing:

1 “(5) Fifth, allowed unsecured claims of employ-  
2 ees arising under section 5 of the Worker Adjust-  
3 ment and Retraining Notification Act.”.

4 (b) CONFORMING AMENDMENTS.—Title 11 of the  
5 United States Code is amended—

6 (1) in section 502(i) by striking “507(a)(8)”  
7 and inserting “507(a)(9)”,

8 (2) in section 503(b)(1)(B)(ii) by striking  
9 “507(a)(8)” and inserting “507(a)(9)”,

10 (3) in section 523(a)(1)(A) by striking  
11 “507(a)(8)” and inserting “507(a)(9)”,

12 (4) in section 724 by striking “507(a)(5),  
13 507(a)(6), or 507(a)(7)” and inserting “507(a)(6),  
14 507(a)(7), or 507(a)(8)”,

15 (5) in section 726(b) by striking “or (8)” and  
16 inserting “or (9)”,

17 (6) in section 1123(a)(1) by striking  
18 “507(a)(8)” and inserting “507(a)(9)”, and

19 (7) in section 1129(a)(9)—

20 (A) in subparagraph (B) by striking “or  
21 507(a)(7)” and inserting “507(a)(7), or  
22 507(a)(8)”, and

23 (B) subparagraph (C) by striking  
24 “507(a)(8)” and inserting “507(a)(9)”.

1 **SEC. 3. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.**

2       This Act and the amendments made by this Act take  
3 effect on the date of the enactment of this Act and shall  
4 apply only with respect to cases commenced after January  
5 1, 2004, under title 11 of the United States Code.

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