



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 113th CONGRESS, SECOND SESSION

Vol. 160

WASHINGTON, MONDAY, DECEMBER 1, 2014

No. 144

House of Representatives

The House met at 2 p.m. and was called to order by the Speaker pro tempore (Mr. MEADOWS).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
December 1, 2014.

I hereby appoint the Honorable MARK MEADOWS to act as Speaker pro tempore on this day.

JOHN A. BOEHNER,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Patrick J. Conroy, offered the following prayer: Gracious God, we give You thanks for giving us another day.

You have blessed us with all good gifts, and this past week, with thankful hearts, we gathered with family and loved ones throughout this great land to celebrate our blessings together.

Bless the Members of the people's House, who have been entrusted with the privilege to serve our Nation, and all Americans in their need. Grant them to work together in respect and affection and to be faithful in the responsibilities they have been given.

As the end of the first session approaches, and important work is yet to be done, bestow upon them the gifts of wisdom and discernment, that in their words and actions they will do justice, love with mercy, and walk humbly with You.

May all that is done this day be for Your greater honor and glory.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the

last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from South Carolina (Mr. WILSON) come forward and lead the House in the Pledge of Allegiance.

Mr. WILSON of South Carolina led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, November 21, 2014.

Hon. JOHN A. BOEHNER,
Speaker, U.S. Capitol, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on November 21, 2014 at 9:28 a.m.:

That the Senate agreed to without amendment H. Con. Res. 119.

That the Senate agreed to without amendment H.J. Res. 129.

That the Senate passed without amendment H.R. 5728.

That the Senate passed without amendment H.R. 5441.

That the Senate passed without amendment H.R. 4067.

That the Senate passed with amendments H.R. 669.

With best wishes, I am

Sincerely,

KAREN L. HAAS.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE.

The SPEAKER pro tempore. Pursuant to clause 4 of rule I, the following enrolled joint resolution and bills were signed by Speaker pro tempore Thornberry on Friday, November 21, 2014:

H.J. Res. 129, appointing the day for the convening of the first session of the One Hundred Fourteenth Congress;

H.R. 4067, to provide for the extension of the enforcement instruction on supervision requirements for outpatient therapeutic services in critical access and small rural hospitals through 2014;

H.R. 5441, to amend the Federal charter of the Veterans of Foreign Wars of the United States to reflect the service of women in the Armed Forces of the United States;

H.R. 5728, to amend the Communications Act of 1934 and title 17, United States Code, to extend expiring provisions relating to the retransmission of signals of television broadcast stations, and for other purposes.

AMNESTY PUTS ALIENS AHEAD OF AMERICANS

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, the President's illegal alien amnesty plan is unconstitutional and destroys American jobs.

According to a recent article in The Washington Times:

President Obama's temporary amnesty, which lasts 3 years, declares up to 5 million illegal immigrants to be lawfully in the country and eligible for work permits, but it still deems them ineligible for public benefits such as buying insurance on Obamacare's health exchanges. Under the Affordable Care Act, that means businesses who hire them won't have to pay a penalty for not providing them health coverage, making them \$3,000 more attractive than a similar native-born worker, whom the business by law would have to cover.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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This gives a disadvantage to legal Americans and citizens and also legal immigrants who deserve a job. Sadly, we are seeing yet another example of how the President has pushed failed policies instead of working with House Republicans to help American families find jobs.

In conclusion, God bless our troops, and the President should take actions, never forgetting September the 11th in the global war on terrorism.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 4 p.m. today.

Accordingly (at 2 o'clock and 5 minutes p.m.), the House stood in recess.

□ 1600

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PETRI) at 4 p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

FINANCIAL INSTITUTION BANKRUPTCY ACT OF 2014

Mr. GOODLATTE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5421) to amend title 11 of the United States Code in order to facilitate the resolution of an insolvent financial institution in bankruptcy, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5421

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Financial Institution Bankruptcy Act of 2014".

SEC. 2. GENERAL PROVISIONS RELATING TO COVERED FINANCIAL CORPORATIONS.

(a) DEFINITION.—Section 101 of title 11, United States Code, is amended by inserting the following after paragraph (9):

“(9A) The term ‘covered financial corporation’ means any corporation incorporated or organized under any Federal or State law, other than a stockbroker, a commodity broker, or an entity of the kind specified in paragraph (2) or (3) of section 109(b), that is—

“(A) a bank holding company, as defined in section 2(a) of the Bank Holding Company Act of 1956; or

“(B) a corporation that exists for the primary purpose of owning, controlling and fin-

ancing its subsidiaries, that has total consolidated assets of \$50,000,000,000 or greater, and for which, in its most recently completed fiscal year—

“(i) annual gross revenues derived by the corporation and all of its subsidiaries from activities that are financial in nature (as defined in section 4(k) of the Bank Holding Company Act of 1956) and, if applicable, from the ownership or control of one or more insured depository institutions, represents 85 percent or more of the consolidated annual gross revenues of the corporation; or

“(ii) the consolidated assets of the corporation and all of its subsidiaries related to activities that are financial in nature (as defined in section 4(k) of the Bank Holding Company Act of 1956) and, if applicable, related to the ownership or control of one or more insured depository institutions, represents 85 percent or more of the consolidated assets of the corporation.”.

(b) APPLICABILITY OF CHAPTERS.—Section 103 of title 11, United States Code, is amended by adding at the end the following:

“(1) Subchapter V of chapter 11 of this title applies only in a case under chapter 11 concerning a covered financial corporation.”.

(c) WHO MAY BE A DEBTOR.—Section 109 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (2), by striking “or” at the end;

(B) in paragraph (3)(B), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(4) a covered financial corporation.”; and

(2) in subsection (d)—

(A) by striking “and” before “an uninsured State member bank”; and

(B) by striking “or” before “a corporation”; and

(C) by inserting “, or a covered financial corporation” after “Federal Deposit Insurance Corporation Improvement Act of 1991”.

(d) CONVERSION TO CHAPTER 7.—Section 112 of title 11, United States Code, is amended by adding at the end the following:

“(g) Notwithstanding section 109(b), the court may convert a case under subchapter V to a case under chapter 7 if—

“(1) a transfer approved under section 1185 has been consummated;

“(2) the court has ordered the appointment of a special trustee under section 1186; and

“(3) the court finds, after notice and a hearing, that conversion is in the best interest of the creditors and the estate.”.

(e)(1) Section 726(a)(1) of title 11, United States Code, is amended by inserting after “first,” the following: “in payment of any unpaid fees, costs, and expenses of a special trustee appointed under section 1186, and then”.

(2) Section 1129(a) of title 11, United States Code, is amended by inserting after paragraph (16) the following:

“(17) In a case under subchapter V, all payable fees, costs, and expenses of the special trustee have been paid or the plan provides for the payment of all such fees, costs, and expenses on the effective date of the plan.

“(18) In a case under subchapter V, confirmation of the plan is not likely to cause serious adverse effects on financial stability in the United States.”.

(f) Section 322(b)(2) of title 11, United States Code, is amended by striking “The” and inserting “In cases under subchapter V, the United States trustee shall recommend to the court, and in all other cases, the”.

SEC. 3. LIQUIDATION, REORGANIZATION, OR RECAPITALIZATION OF A COVERED FINANCIAL CORPORATION.

Chapter 11 of title 11, United States Code, is amended by adding at the end the following:

“SUBCHAPTER V—LIQUIDATION, REORGANIZATION, OR RECAPITALIZATION OF A COVERED FINANCIAL CORPORATION

“§ 1181. Inapplicability of other sections

“Sections 303 and 321(c) do not apply in a case under this subchapter concerning a covered financial corporation.

“§ 1182. Definitions for this subchapter

“In this subchapter, the following definitions shall apply:

“(1) The term ‘Board’ means the Board of Governors of the Federal Reserve System.

“(2) The term ‘bridge company’ means a newly formed corporation to which property of the estate may be transferred under section 1185(a) and the equity securities of which may be transferred to a special trustee under section 1186(a).

“(3) The term ‘capital structure debt’ means all unsecured debt of the debtor for borrowed money for which the debtor is the primary obligor, other than a qualified financial contract and other than debt secured by a lien on property of the estate that is to be transferred to a bridge company pursuant to an order of the court under section 1185(a).

“(4) The term ‘contractual right’ means a contractual right of a kind defined in section 555, 556, 559, 560, or 561.

“(5) The term ‘qualified financial contract’ means any contract of a kind defined in paragraph (25), (38A), (47), or (53B) of section 101, section 741(7), or paragraph (4), (5), (11), or (13) of section 761.

“(6) The term ‘special trustee’ means the trustee of a trust formed under section 1186(a)(1).

“§ 1183. Commencement of a case concerning a covered financial corporation

“(a) A case under this subchapter concerning a covered financial corporation may be commenced by the filing of a petition with the court—

“(1) by the debtor under section 301 only if the debtor states to the best of its knowledge under penalty of perjury in the petition that it is a covered financial corporation; or

“(2) by the Board only if the Board states to the best of its knowledge under penalty of perjury in the petition that—

“(A) the debtor is a covered financial corporation that—

“(i) has incurred losses that will deplete all or substantially all of the capital of the covered financial corporation, and there is no reasonable prospect for the covered financial corporation to avoid such depletion;

“(ii) is insolvent;

“(iii) is not paying, or is unable to pay, the debts of the covered financial corporation (other than debts subject to a bona fide dispute as to liability or amount) as they become due; or

“(iv) is likely to be in a financial condition specified in clause (i), (ii), or (iii) sufficiently soon such that the immediate commencement of a case under this subchapter is necessary to prevent serious adverse effects on financial stability in the United States; and

“(B) the commencement of a case under this title and effecting a transfer under section 1185 is necessary to prevent serious adverse effects on financial stability in the United States.

“(b)(1) Unless the debtor consents to an order for relief, the court shall hold a hearing on the Board’s petition under subsection (a)(2) as soon as practicable but not later than 16 hours after the Board files such a petition, with notice only to—

“(A) the covered financial corporation;

“(B) the Federal Deposit Insurance Corporation;

“(C) the Office of the Comptroller of the Currency of the Department of the Treasury; and