

An hourglass-shaped graphic with a globe inside. The top bulb is dark blue, and the bottom bulb is light blue. The globe is centered in the narrow neck of the hourglass. The top bulb is filled with a dark blue color, and the bottom bulb is filled with a light blue color. The globe is centered in the narrow neck of the hourglass.

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*COMPARISON OF THE BANKRUPTCY REFORM ACT,
H.R. 833, PASSED BY THE HOUSE AND THE SENATE*

Robin Jeweler, American Law Division

Updated March 6, 2000

Abstract. This report provides a narrative and side-by-side comparison of selected provisions in the bankruptcy reform bills passed by the House and the Senate, with an emphasis on their consumer provisions.

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Comparison of the Bankruptcy Reform Act, H.R. 833, 106th Congress, Passed by the House and the Senate

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Comparison of the Bankruptcy Reform Act, H.R. 833, 106th Congress, Passed by the House and the Senate

Summary

On May 5, 1999, the House passed H.R. 833, the Bankruptcy Reform Act, 106th Cong., 1st Sess. (1999), by a vote of 313-108.

The Senate brought S. 625, the Bankruptcy Reform Act, 106th Cong., 1st Sess. (1999), to the floor on November 4, 1999. After considerable debate and the adoption of many germane and nongermane amendments, the Senate struck the language of the House version, substituted its language, and passed H.R. 833 on February, 2, 2000, by a vote of 83-14.

This report surveys the legislation's legislative history. It provides a brief narrative and side-by-side comparison of selected provisions in the House and Senate bills, with an emphasis on consumer bankruptcy.

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Comparison of the Bankruptcy Reform Act, H.R. 833, 106th Congress, Passed by the House and the Senate

On May 5, 1999, the House passed H.R. 833, the Bankruptcy Reform Act, 106th Cong., 1st Sess. (1999), by a vote of 313-108.¹

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When the Senate brought S. 625 to the floor, more than 300 germane and nongermane amendments were offered. Many amendments, including a modified manager's amendment, were passed. Others failed or were tabled. Among the nongermane amendments that passed was one which increased the federal minimum wage and amended provisions in the Internal Revenue Code dealing with small business taxes, long term health care insurance, and pensions.² Another nongermane amendment, entitled the "Methamphetamine Anti-Proliferation Act," involves criminal enforcement of drug laws.³

At this time, official House and Senate conferees have not been announced. Whether the nongermane provisions will be stripped from the Senate bill or addressed in a conference is the subject of speculation.⁴

This report surveys the legislation's legislative history. It provides a brief narrative and side-by-side comparison of selected provisions in the House and Senate bills, with an emphasis on consumer bankruptcy.

Legislative history in the 105th Congress. Shortly before the close of the second session of the 105th Congress, legislation which would have dramatically changed the manner in which consumer bankruptcies are administered under the U.S. Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, came close to passage. Both the House

¹H.Rept. 106-123, 106th Cong., 1st Sess. (1999).

²Titles XII and XIII of H.R. 833, 106th Cong., 2nd Sess. (2000).

³Title XVII, *id.*

⁴*See, e.g.,* "Pensions Provisions, Tax Breaks Expected to be Dropped from Senate Bankruptcy Bill" and "Tax Breaks in Bankruptcy Bill Could be Added Back, Arney Says," in 12 BBLR 148-150 (Feb. 10, 2000).

and Senate enacted different versions of H.R. 3150, 105th Congress, 2d Sess. (1998). A conference was agreed to and a report was filed.⁵ The House agreed to the conference report version of the bill by a vote of 300 to 125 on October 9, 1998. But the bill, which President Clinton had threatened to veto, was not brought before the Senate for a vote prior to adjournment.⁶

Although the Senate and House bills differed significantly, they were referred to as implementing “needs based” bankruptcy, *i.e.*, a consumer bankruptcy system that differentiates among debtors and, by application of external jurisdictional standards or through case-by-case scrutiny, imposes strict filing standards and strives to ensure that creditors receive a higher distribution than they might otherwise.

H.R. 833 and S. 625, 106th Congress, 1st Sess. (1999): The Bankruptcy Reform Acts of 1999 and 2000. Like their predecessors, both bills are comprehensive. With respect to consumer bankruptcy, a great deal of the impetus towards legislative action has been fueled by the ever-increasing rate of consumer bankruptcy filings.⁷ Congressional debate over bankruptcy reform during the 105th Congress repeatedly evidenced a desire by Members to elevate personal responsibility in consumer financial transactions; to prevent bankruptcy filings from being utilized by consumers as a financial planning tool rather than a last-resort solution to personal financial crisis; and, to recapture the stigma associated with a bankruptcy filing, which many believe has eroded since enactment of the U.S. Bankruptcy Code in 1978.

Opponents of the legislation argue, *inter alia*, that the growth in consumer bankruptcies is not a result of liberal bankruptcy laws but is the consequence of greatly expanded consumer credit and high-risk lending practices; that the imposition of a means test will permit debtors to manipulate jurisdictional filing criteria; that undermining the “fresh start” in bankruptcy by making commercial debt nondischargeable will adversely impact debtors’ family support obligations; that the increased cost of administering the U.S. Bankruptcy Court system will not be justified by the incremental increase in debt recovery realized by creditors; and, that the legislation is no longer warranted because recent statistics indicate that consumer bankruptcy filings have leveled off and, in some instances, declined.

Hearings during the 106th Congress elicited testimony by many experts suggesting significant disagreement over the causes of increased consumer filings and the most effective way to enhance debt repayment.⁸

⁵ H.Rept. 105-794, 105th Cong., 2d Sess. (1998).

⁶ “*Bankruptcy Reform Bill’s Fate in Doubt; Congress, Administration Seek Middle Ground*,” 10 BBLR 1044 (October 15, 1998).

⁷ H.Rept. 105-540, 105th Cong., 2d Sess. 54-55 (1998) to accompany H.R. 3150; S.Rept. 105-253, 105th Cong., 2d Sess. 22 (1998) to accompany S. 1301.

⁸ On March 11, 1999, House and Senate Judiciary Subcommittees held a joint bankruptcy hearing. The House Subcommittee on Commercial and Administrative Law held additional hearings on March 16, 17, and 18.

Structural overview of the Senate and House bills. *Consumer bankruptcy reform.* Titles I through III of the Senate bill encompass amendments to consumer bankruptcy, including the needs-based approach to chapter 7 and 13 filings. The House bill addresses these provisions in Titles I and II.

General business and small business bankruptcy. The Senate bill deals with these topics in Title IV; the House in Titles III and IV.

Municipal bankruptcy. Amendments to Chapter 9 of the U.S. Bankruptcy Code dealing with municipal reorganization are addressed in Title V of both the Senate and House bills.

Streamlining the bankruptcy system. Title VI of the House bill contains substantive and procedural provisions addressing consumer bankruptcy. The Senate bill does not have a comparable title, but, in some cases, has analogous provisions in other titles.

Improved bankruptcy statistics and data. Title VI of the Senate bill and Title VII of the House bill create rules for collection and analysis of bankruptcy statistics.

Bankruptcy tax provisions. Title VII of the Senate version and Title VIII contain extensive provisions governing taxation of the bankruptcy estate. (*Compare* Title XIII of the Senate bill which makes extensive amendments to the Internal Revenue Code.)

Ancillary and cross-border cases. Title VIII of the Senate bill and Title IX of the House bill would add a new chapter 15 to the Code to address issues arising from international insolvencies.

Financial contract provisions. Title IX of the Senate bill and Title X of the House bill deal with commercial banking and financial issues such as forward contracts, netting, swap and repurchase agreements, and asset-backed securitizations.

Technical corrections. Title XIV of the Senate bill is entitled “Technical Amendments.” Title XI of the House bill is “Technical Corrections.” Both are Bankruptcy Code related. In the Senate bill, however, the technical corrections appear broader in scope. For example, provisions create temporary bankruptcy judgeships;⁹ duplicate “family fishermen” provisions under Title X;¹⁰ and, contain provisions that are arguably substantive, for example:

- ! prohibiting a bankruptcy filing by a political committee subject to the jurisdiction of the Federal Election Commission; making fines or penalties imposed under federal election law nondischargeable;¹¹ and

⁹H.R. 833, passed by the Senate at § 1425.

¹⁰Id. at § 1426.

¹¹Id at. §§ 1430- 1431.

- ! raising the jurisdictional debt limit for family farmers from \$1,500,000 to \$3,000,000 and reducing the farming debt requirement from 80 percent of indebtedness to 50 percent.¹²

Several of the germane and non-germane amendments adopted by the Senate during floor debate appear as separate titles of the bill. They do not have analogous *titles* in the House version, although in many instances there are comparable provisions in the bill.

Protection of family farmers and family fishermen. Organized as Title X of the Senate bill, this title would define a “family fisherman” and include this new debtor class under chapter 12 coverage. Special bankruptcy protections would inure to “family fishermen.”

Health care and employee benefits. Title XI of the Senate bill has provisions providing for the disposal of patient records and/or transfer of patients of a specified “health care facility” in the event of a bankruptcy necessitating closure. It designates the costs incurred by a trustee or federal agency in closing the business, disposing of records, and transferring patients as administrative expenses. The trustee is expressly directed to “use all reasonable and best efforts” in the transfer of patients to appropriate facilities. A patient ombudsman must be appointed by the court to monitor patient care and report to the court during the bankruptcy.

Amendments to Fair Labor Standards Act of 1938 and tax relief. Titles XII and XIII of the Senate bill make amendments to the minimum wage provision of the Fair Labor Standards Act. The minimum wage would be raised from \$5.15 to \$6.15 per hour, phased in through March 1, 2002. Amendments to the Internal Revenue Code are made in Title XIII. They address issues such as small business tax relief, health and long-term care insurance, and pensions. Subtitle D of Part VI is entitled “Revenue Provisions.” Provisions of this Title of the Senate version have been criticized by some Members of the House for violating the constitutional requirement that revenue generating measures originate in the House.

Financial institutions insolvency improvement. Title XVI of the Senate bill amends provisions of the Federal Deposit Insurance Act, 12 U.S.C. § 1811 *et seq.*, dealing with insolvent financial institutions. Several sections correspond to amendments to the Bankruptcy Code made by Title IX of the bill dealing with financial contracts, including statutory definitions of various agreements. Several comparable provisions are included in Title X of the House bill.

Methamphetamine and other controlled substances. Title XVII of the Senate bill would enact the “Methamphetamine Anti-Proliferation Act of 2000.”

Protection from the impact of bankruptcy of certain electric utilities. Title XVIII of the Senate bill would enact the “Emergency Imported Electric Power Price Reduction Act of 2000.” This act would abrogate and void a contract for the importation of electric power by the Vermont Joint Owners under the Firm Power

¹²Id. at § 1437.

And Energy Contract with Hydro-Quebec dated December 4, 1987. It would vest enforcement of an amended contract in applicable states' attorney generals.

Consumer credit disclosure. Title XIX of the Senate bill would amend the Truth in Lending Act (TILA), 15 U.S.C. § 1601 *et seq.*, to require enhanced minimum payment disclosures under an open end credit plan; enhanced disclosures regarding the tax deductibility of credit extensions which exceed the fair market value of a dwelling for credit transactions secured by the consumer's dwelling; enhanced disclosures related to introductory "teaser" rates; additional disclosures related to Internet-based open end credit solicitations; and disclosures related to late payment deadlines and penalties. TILA would be amended to prohibit termination of a credit account because the consumer has not incurred finance charges. Several related provisions exist in the House bill.

Side-by-side comparison. The chart below provides a brief comparison of selected provisions in the Senate and House bills.¹³

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
Means test, 11 U.S.C. § § 704, 707:		
<i>Implementation</i>	Would amend 11 U.S.C. § 707 to permit creditors, the trustee, or any party in interest to challenge a debtor's eligibility to file under chapter 7. If indicated, the U.S. trustee must file a statement that the debtor's case is a presumed abuse of chapter 7. § 102.	All parties may move for conversion to chapter 13, but the standing trustee must review each filing and move for conversion where abuse is found. § 102
<i>Definition of "current monthly income"</i>	Income excludes Social Security benefits.	Excludes Social Security benefits and payments to victims of war crimes or crimes against humanity.

¹³For a detailed side-by-side comparison prepared by the law firm of Davis Polk & Wardwell of the U.S. Code as amended by the respective bills, see <[www.dpw.com/bankruptcyreform]>. Additional side-by-side comparisons are available at the American Bankruptcy Institute's website <[www.abiworld.org/legis]>.

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
<p><i>Presumed abuse</i></p>	<p>Debtor presumed to be abusing chapter 7 if current monthly income, excluding allowed deductions, secured debt payments, and priority unsecured debt payments, multiplied by 60, would permit a debtor to pay the lesser of 25% of nonpriority unsecured debt or \$15,000 (or \$250 per month over 60 months).</p>	<p>Abuse exists if, by calculating monthly income, excluding allowed deductions, secured debt payments, and priority unsecured debt payments, and multiplying by 60 months, there is a surplus of not less than \$6,000 (or \$100 per month over 60 months). § 102.</p>
<p><i>Calculation of permissible monthly living expenses</i></p>	<p>Expenses to be calculated “under standards issued by the Internal Revenue Service for the area in which the debtor resides.”</p> <p>Individualized expenses may include charitable and religious contributions of up to 15% of the debtor’s gross annual income; debts incurred to protect the debtor’s family from domestic violence; actual expenses for the care and support of nondependent, elderly, ill or disabled household or family members; and, arrearage payments to secured creditors necessary to maintain possession of the debtor’s home or motor vehicle. § 102.</p>	<p>Expenses to be calculated as specified under the National Standards and Local Standards, and the debtor’s actual monthly expenses for the categories specified as Other Necessary Expenses issued by the Internal Revenue Service for the area in which the debtor resides. A debtor may also subtract an allowance of up to 5% of the IRS food and clothing categories.</p> <p>Individualized expenses may include private school tuition of up to \$10,000 per year; charitable and religious contributions of up to 15% of the debtor’s gross annual income, administrative expenses, and reasonable attorneys fees. § 102.</p>

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
<i>To rebut the presumption of abuse</i>	The debtor must demonstrate “special circumstances.” § 102.	The debtor must demonstrate “extraordinary circumstances.” § 102.
<i>Safe harbor exemption from the means test</i>	<p>The U.S. trustee or bankruptcy administrator may file a statement that a conversion motion would <i>not</i> be appropriate if the debtor’s current monthly income is less than the highest national or the applicable State median family income.</p> <p>The U.S. trustee may also decline to file a motion to convert if the debtor’s monthly income is between 100 and 150% of the national or applicable State median income, and would permit a debtor to pay the lesser of 25% of nonpriority unsecured debt or \$15,000 (or \$250 per month over 60 months). § 102.</p>	No party may make a motion to convert the debtor to chapter 13 if the debtor (and spouse combined) have a monthly income “equal to or less than the regional median household income calculated on a semiannual basis.” § 102.
<i>Attorney sanctions for improper filing</i>	If a trustee moves to have a debtor’s case converted and the court approves it and finds that the filing was “frivolous,” counsel for the debtor must reimburse the trustee for costs, including attorneys’ fees, and may be required to pay a civil penalty. § 102.	If a panel trustee brings a successful motion for dismissal or conversion, counsel for the debtor will be liable to reimburse the trustee for costs, attorneys’ fees, and payment of a civil penalty if the court finds a violation of Bankruptcy Rule 9011. § 102.

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
<i>Creditor sanctions for improper motions</i>	The court may award the debtor costs for contesting an unsuccessful motion to convert if the court finds that the motion was not substantially justified, or was intended to coerce the debtor into waiving rights under the Bankruptcy Code. A creditor whose claim is less than \$1000 is not liable for sanctions. § 102	The court may award the debtor costs in contesting an unsuccessful motion to convert if the court finds that the motion was not substantially justified, or was intended to coerce the debtor into waiving rights under the Bankruptcy Code. § 102
<i>Dismissal of filings by persons convicted of violent crimes or drug trafficking</i>	A crime victim or party in interest may request dismissal of the voluntary bankruptcy case of the convicted debtor. The court must grant the dismissal unless the filing is necessary to satisfy a domestic support obligation. § 102	No comparable provision.
Mandatory credit counseling	<p>Debtor must undergo credit counseling within 180 days of filing, and may not obtain a discharge until completion of a personal financial management instructional course.</p> <p>The U.S. trustee or bankruptcy administrator for the judicial district is directed to oversee and approve nonprofit budget and credit counseling agencies. § 106</p>	<p>Comparable provisions, but the debtor must undergo credit counseling within 90 days of filing. Debtors must also complete an approved instructional course.</p> <p>The Federal Trade Commission and the U.S. trustee shall regulate and approve credit counseling agencies. § 302.</p>

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
Audits	The Attorney General is directed to establish a procedure to ensure random audits of no less than 1 out of every 250 individual filings; The U.S. trustee is authorized to enter into contracts with auditors, and to take action when misstatements in the debtor's petition and schedules are identified. § 601.	Comparable provision at § 602.
Promotion of alternative dispute resolution	Creditor's allowable claim may be reduced by 20% if a court finds that the creditor "unreasonably refused to negotiate a reasonable alternative repayment schedule proposed by an approved credit counseling agency." § 201.	The court may reduce a creditor's claim by 20% if the debtor can prove by "clear and convincing" evidence that a creditor unreasonably refused to negotiate alternative repayment of at least 60% of the debt. § 109.
Reaffirmation agreements	Imposes enhanced requirements for approval of a reaffirmation agreement when the debtor is not represented by counsel; requires U.S. Attorney and FBI to investigate abusive reaffirmation practices; authorizes states attorney generals to bring class actions to recover damages for violations of reaffirmation provisions. § 203.	Imposes enhanced requirements for approval of a reaffirmation agreement when the debtor is not represented by counsel. § 108. Allows a debtor to recover actual damages or \$1000, whichever is greater, when a creditor violates reaffirmation agreement requirements, but prohibits class actions to redress abusive reaffirmation practices by creditors. § 114.

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
Homestead exemption	Imposes a federal cap of \$100,000 on exemptions under state law and lengthened residency requirements. States are not permitted to opt out of the federal cap. §§ 307, 308 and 324.	Imposes lengthened residency requirements. §§ 124-125. Imposes a \$250,000 cap on homestead exemptions (except for family farmers). Allows states to opt out of the monetary cap; delays effective date until the end of the first regular session of each state legislature following enactment. § 147.
Exemption for saving for postsecondary education	Subject to certain IRS requirements, excludes funds up to \$5000 made within a year of filing in an education individual retirement account; and/or funds used to purchase a tuition credit or certificate under a qualified state tuition program. §225	Allows a debtor, subject to certain requirements, to exempt up to \$50,000 for one child, or \$100,000 per family for postsecondary education. § 113.
Retirement Savings Exemption Broadened	Would clarify and expand the law to provide that retirement accounts that are tax exempt under the Internal Revenue Code are exempted from the debtor's estate. § 224	Comparable provision at § 203.
Withheld Wages for Contributions to Employee Benefit Plans	Withheld wages for contributions to employee benefit plans would be excluded from the debtor (employer's) estate. This would override the current unsecured priority at § 507(a)(3) which caps priority benefit claims at \$4,300. § 322.	No comparable provision.

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
Domestic support owed to individuals and government units made first priority	Would move domestic support obligations to first priority, which is currently allocated to administrative expenses of the bankruptcy estate. Administrative expenses would become second priority. § 212.	Comparable provision at § 139.
Priority assigned to claims for liability incurred by the debtor DUI	A new § 507 tenth priority is created for unsecured claims for liability incurred by a debtor from driving or operating a vessel while under the influence of alcohol or drugs. Claims of this nature are also nondischargeable. § 223.	Comparable provision at § 129.
Trustee notification of child support claim holders	Would direct the trustee to notify a priority child support recipient of the existence of a state child support enforcement agency, and, upon discharge, the existence of nondischargeable and reaffirmed debt. § 219.	Comparable provision at § 149.
Definition of “household goods”	Defines household goods narrowly to include only 1 radio; 1 television; 1 VCR; and 1 personal computer but only if used for the education or entertainment of a minor child. § 313.	Defines household goods more broadly to include “personal property normally found in or around a residence,” excluding motor vehicles. § 145.
Plan duration	Debtors who have been converted to chapter 13 from chapter 7 will have 5 year plans; other debtors will have 3 year plans. § 318.	Chapter 13 plans to have 5 year duration for families whose monthly income is not less than the highest national median family income. Families below the highest national median income would have 3 year plans. § 606.

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
Residential lease excepted from the automatic stay	The automatic stay will not operate to stop the continuation of, or in some cases, the commencement of eviction actions by a lessor against a debtor involving rental property in which the debtor resides. § 311.	Comparable provision at § 136.
Nondischargeable debts		
<i>Consumer debts presumed fraudulent</i>	Consumer debts owed to a single creditor for more than \$250 for “luxury goods” incurred within 90 days of filing; and cash advances for more than \$750 under an open end credit plan within 70 days of filing are presumed to be nondischargeable. § 310	Consumer debts owed to a single creditor for more than \$250 for “luxury goods” incurred within 90 days of filing presumed to be fraudulent. § 133
<i>Debts incurred to pay nondischargeable debts are nondischargeable</i>	Debts incurred with an intent to pay a nondischargeable debt will become nondischargeable; debts incurred within 70 days will be presumed to be nondischargeable. § 314.	Comparable provision, but all debts incurred within 90 days of filing to pay nondischargeable debts are nondischargeable without regard to intent. § 146.
<i>Debts to government units for domestic support</i>	Defines “domestic support obligation” to include debts owed to or recoverable by a governmental unit. §§ 211, 215.	Comparable provisions at §§ 138-139.
<i>Expanded definition of student loan</i>	Adds qualified educational loans as defined under § 221 of the IRS to those educational loans that are currently nondischargeable. § 220.	Comparable provision at § 281.

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
<i>Expanded definition of nondischargeable condominium and homeowners association fees</i>	Expands the types of post-petition condo and homeowners association fees that are nondischargeable by omitting requirement that in order to be nondischargeable the debtor must reside in it postpetition. § 414.	Comparable provision at § 214.
<i>Debts incurred through the commission of violence at health care facilities, including abortion clinics</i>	Any debt that results from any judgment entered in a state or federal court for damages to a clinic or violation of the civil rights of individuals providing or obtaining reproductive health care services would be nondischargeable. § 328.	No comparable provision.
<i>Loan repayments to debtor's retirement savings or thrift plan</i>	Makes nondischargeable, <i>i.e.</i> , allows an employer to withhold from debtor's wages loan repayments to debtor's savings/retirement plan. § 224.	Comparable provision at § 203.

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
Lien stripping on security interests in consumer goods (cramdown)	Chapter 13 debtors would not be permitted to bifurcate security interests in an automobile purchased within 5 years of the filing; or in other consumer goods purchased within 6-months of the filing. § 306.	Consumer debtors would not be permitted to bifurcate secured claims for consumer goods purchased within 5 years of the bankruptcy filing. A secured creditor’s allowable claim would be the retail cost to replace the item. §§ 122-123.
Consumer credit practices		
<i>Amendments to the Truth in Lending Act</i>	TILA amended to require enhanced minimum payment disclosures under an open end credit plan; enhanced disclosures regarding the tax deductibility of credit extensions which exceed the fair market value of a dwelling for credit transactions secured by the consumer’s dwelling; disclosures related to introductory “teaser” rates; disclosures related to Internet-based open end credit solicitations; and disclosures related to late payment deadlines and penalties. TILA would be amended to prohibit termination of a credit account because the consumer has not incurred finance charges. §§ 1901-1906.	TILA amended to require enhanced minimum payment disclosures under an open end credit plan; disclosures related to introductory “teaser” rates; and, disclosures related to Internet-based open end credit solicitations. § 112.

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
<i>Consumer credit studies</i>	The Board of Governors of the Federal Reserve would be directed to study existing protections for consumers for unauthorized use of a dual use debit card. § 1907	<p>The Board of Governors of the Federal Reserve would be directed to study existing protections for consumers for unauthorized use of a dual use debit card. § 111.</p> <p>The Board would be directed to study the tax deductibility of credit extensions which exceed the fair market value of a dwelling for open and closed end credit transactions secured by the consumer's dwelling; to study the impact of minimum periodic payment features on consumer default rates and financial difficulty; and, if appropriate, to issue regulations to provide more disclosure concerning these practices. § § 110, 112.</p>

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
<i>Study of bankruptcy impact of credit extended to dependent students</i>	Comptroller General directed to study bankruptcy impact of credit extensions to students in postsecondary school. § 1908.	Comparable provision at § 609.
Business Bankruptcy		
<i>Small business bankruptcy</i>	Subtitle B of Title IV has provisions defining a “small business” for chapter 11 purposes as one with debts under \$3,000,000. The debtor’s period of exclusivity to file a reorganization plan is 180 days. A plan must be confirmed within 175 days. Provisions require establishment of uniform accounting and reporting standards for small businesses. Grounds for appointment of a trustee and the trustee’s general supervisory duties are expanded, as are grounds for dismissal or conversion of the case. §§ 431-442.	Title IV of the bill deals with “small business” chapter 11 filings. A small business is defined as one with debts of under \$4,000,000. The debtor’s period of exclusivity to file a reorganization plan is 90 days. A plan must be confirmed within 150 days. Provisions require establishment of uniform accounting and reporting standards for small businesses. Grounds for appointment of a trustee and the trustee’s general supervisory duties are expanded, as are grounds for dismissal or conversion of the case. §§ 401-413.
<i>Venue for chapter 11 corporate filings</i>	No comparable provision	Venue for filing corporate chapter 11 reorganizations would be where the debtor’s principal place of business is located. § 304.
General provisions		
<i>In forma pauperis filings</i>	Directs the Judicial Conference to prescribe procedures for waiving bankruptcy fees for an individual debtor under chapter 7 whose income is less than 125 percent of the income official poverty line and who is unable to pay the fee in installments. § 420.	Comparable provision that gives courts broader discretion to waive bankruptcy fees for an individual in chapter 7 who cannot pay in installments. § 148.

Selected Provisions	H.R. 833 (S. 625) as passed by the Senate	H.R. 833 as passed by the House
<i>General effective date</i>	Subject to express provisions otherwise, the new law will take effect 180 days after enactment and will not apply to cases commenced before the effective date. § 1501.	Comparable provision at § 1201.
<i>Bankruptcy judgeships</i>	Creates new temporary bankruptcy judgeships for designated districts. § 1425.	Comparable provision at § 128.