

117TH CONGRESS
1ST SESSION

S. 2679

To amend title 11, United States Code, to make clarifications with respect to amendments made by the Small Business Reorganization Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 9, 2021

Mr. GRASSLEY (for himself and Mr. WHITEHOUSE) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To amend title 11, United States Code, to make clarifications with respect to amendments made by the Small Business Reorganization Act, and for other purposes.

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 “Small Business Reor-
5 ganization Technical Corrections Act”.

6 **SEC. 2. TITLE 11 AMENDMENTS.**

7 (a) DEFINITION OF SMALL BUSINESS DEBTOR.—
8 Section 101(51D)(B)(iii) of title 11, United States Code,

1 is amended by striking “an issuer” and all that follows
 2 and inserting “a corporation described in clause (ii).”.

3 (b) DEFINITION OF DEBTOR.—Section 1182(1)(B)
 4 of title 11, United States Code, is amended—

5 (1) in clause (i), by inserting “under this title”
 6 after “affiliated debtors”; and

7 (2) in clause (iii), by striking “an issuer” and
 8 all that follows and inserting “a corporation de-
 9 scribed in clause (ii).”.

10 (c) TRUSTEE.—Section 1183(b)(5) of title 11, United
 11 States Code, is amended—

12 (1) by striking “possession, perform” and in-
 13 serting “possession—

14 “(A) perform”;

15 (2) in subparagraph (A), as so designated—

16 (A) by striking “, including operating the
 17 business of the debtor”; and

18 (B) by adding “and” at the end; and

19 (3) by adding at the end the following:

20 “(B) be authorized to operate the business
 21 of the debtor;”.

22 (d) CONFIRMATION OF PLAN.—Section 1191(c) of
 23 title 11, United States Code, is amended by striking para-
 24 graph (3) and inserting the following:

1 “(3)(A) The debtor will be able to make all pay-
2 ments under the plan; or

3 “(B)(i) there is a reasonable likelihood that the
4 debtor will be able to make all payments under the
5 plan; and

6 “(ii) the plan provides appropriate remedies,
7 which may include the liquidation of nonexempt as-
8 sets, to protect the holders of claims or interests in
9 the event that the payments are not made.”.

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