

**AMENDMENT TO  
RULES COMMITTEE PRINT 114-57  
OFFERED BY MR. BISHOP OF UTAH**

Page 3, line 14, strike “If” and insert “(a) IN GENERAL.—Except as provided in subsection (b), if”.

Page 3, after line 20, insert the following:

1       (b) UNIFORMITY.—If a court holds invalid any provi-  
2 sion of this Act or the application thereof on the ground  
3 that the provision fails to treat similarly situated terri-  
4 tories uniformly, then the court shall, in granting a rem-  
5 edy, order that the provision of this Act or the application  
6 thereof be extended to any other similarly situated terri-  
7 tory, provided that the legislature of that territory adopts  
8 a resolution signed by the territory’s governor requesting  
9 the establishment and organization of a Financial Over-  
10 sight and Management Board pursuant to section 101.

Page 9, strike lines 24 and 25.

Page 10 strike lines 1 through 7, and insert the fol-  
lowing:

1           (1) PUERTO RICO.—A Financial Oversight and  
2           Management Board is hereby established for Puerto  
3           Rico.

Page 10, line 8, strike “(3)” and insert “(2)”.

Page 12, line 22, strike “must” and insert “shall”.

Page 14, line 6, insert “, non-overlapping” after  
“from a separate”.

Page 16, lines 15 through 16, strike “September 30,  
2016” and insert “September 1, 2016”.

Page 16, line 18, strike “December 1, 2016” and in-  
sert “September 15, 2016”.

Page 19, line 4, strike “subsection” and insert  
“Act”.

Page 20, line 5, insert “and any professionals the  
Oversight Board determines necessary” after “voting  
members”.

Page 29, line 9, insert “until an order approving the  
Qualifying Modification has been entered pursuant to  
section 601(m)(1)(D) of this Act” after “such agree-  
ment”.

Page 29, strike lines 10 through 18 and insert the  
following:

1           (3) PREEXISTING VOLUNTARY AGREEMENTS.—  
2           Any voluntary agreement that the territorial govern-  
3           ment or any territorial instrumentality has executed  
4           before May 18, 2016, with holders of a majority in  
5           amount of Bond Claims that are to be affected by  
6           such agreement to restructure such Bond Claims  
7           shall be deemed to be in conformance with the re-  
8           quirements of this subsection.

Page 32, line 11, strike “the Government of Puerto Rico” and insert “a covered territory”.

Page 34, strike line 19 through page 35, line 3 and insert the following:

9           (b) FUNDING.—The Oversight Board shall use its  
10          powers with respect to the Territory Budget of the covered  
11          territory to ensure that sufficient funds are available to  
12          cover all expenses of the Oversight Board.

13          (1) PERMANENT FUNDING.—Within 30 days  
14          after the date of enactment of this Act, the terri-  
15          torial government shall designate a dedicated fund-  
16          ing source, not subject to subsequent legislative ap-  
17          propriations, sufficient to support the annual ex-  
18          penses of the Oversight Board as determined in the  
19          Oversight Board’s sole and exclusive discretion.

1           (2)(A) INITIAL FUNDING.—On the date of es-  
2           tablishment of an Oversight Board in accordance  
3           with section 101(b) and on the 5th day of each  
4           month thereafter, the Governor of the covered terri-  
5           tory shall transfer or cause to be transferred the  
6           greater of \$2,000,000 or such amount as shall be  
7           determined by the Oversight Board pursuant to sub-  
8           section (a) to a new account established by the terri-  
9           torial government, which shall be available to and  
10          subject to the exclusive control of the Oversight  
11          Board, without any legislative appropriations of the  
12          territorial government.

13          (B) TERMINATION.—The initial funding re-  
14          quirements under subparagraph (A) shall terminate  
15          upon the territorial government designating a dedi-  
16          cated funding source not subject to subsequent legis-  
17          lative appropriations under paragraph (1).

18          (3) REMISSION OF EXCESS FUNDS.—If the  
19          Oversight Board determines in its sole discretion  
20          that any funds transferred under this subsection ex-  
21          ceed the amounts required for the Oversight Board’s  
22          operations as established pursuant to subsection (a),  
23          any such excess funds shall be periodically remitted  
24          to the territorial government.

Page 35, line 15, strike “or on” and insert “, on”.

Page 35, line 15, insert “, or against” after “behalf of”.

Page 35, line 17 and 18, strike “no conflict of interest exists” and insert “the representation complies with the applicable professional rules of conduct governing conflicts of interests”.

Page 60, line 7, insert “(A)” before “During the period”.

Page 60, line 18, strike “reversal” and insert “re-scission”.

Page 60, line 19, insert at the end the following:

1           (B) Upon appointment of the Oversight Board’s  
2           full membership, the Oversight Board may review,  
3           and in its sole discretion, rescind, any law that—

4                   (i) was enacted during the period between,  
5                   with respect to Puerto Rico, May 4, 2016; or  
6                   with respect to any other territory, 45 days  
7                   prior to the establishment of the Oversight  
8                   Board for such territory, and the date of ap-  
9                   pointment of all members and the Chair of the  
10                  Oversight Board; and

11                   (ii) alters pre-existing priorities of credi-  
12                   tors in a manner outside the ordinary course of  
13                   business or inconsistent with the territory’s con-

1           stitution or the laws of the territory as of, in  
2           the case of Puerto Rico, May 4, 2016, or with  
3           respect to any other territory, 45 days prior to  
4           the establishment of the Oversight Board for  
5           such territory;  
6           but such rescission shall only be to the extent that  
7           the law alters such priorities.

Page 73, strike line 22, and insert “be excluded, and that, for each excluded trust or other legal entity, the court shall, upon the request of any participant or beneficiary of such trust or entity, at any time after the commencement of the case, order the appointment of a separate committee of creditors pursuant to section 1102(a)(2) of title 11, United States Code; and”.

Page 75, line 2, insert at the end the following: “The term ‘trustee’ as described in this paragraph does not mean the U.S. Trustee, an official of the United States Trustee Program, which is a component of the United States Department of Justice.”.

Page 75, line 8, insert “‘Chapter 11,’” after “‘Chapter 9’”.

Page 76, line 22, insert “but” after “for such exercise,”.

Page 76, line 23, strike “, but”.

Page 84, line 23, insert “(1)” before “If the Oversight Board”.

Page 85, after line 2, insert the following:

1       (2) With respect to paragraph (1), the Oversight  
2 Board may consider, among other things—

3           (A) the resources of the district court to adju-  
4 dicate a case or proceeding; and

5           (B) the impact on witnesses who may be called  
6 in such a case or proceeding.

Page 88, line 7, strike “IMPAIRED CREDITORS” and insert “CLAIMS”.

Page 88, line 14, insert “claims, which claims are” after “only one class of”.

Page 88, line 21, insert “and does not discriminate unfairly” after “table”.

Page 94, line 10, insert “(29 U.S.C. 215(a)(3))” after “section 15(a)(3)”.

Page 111, line 1, strike “180 days” and insert “one year”.

Page 115, line 24, insert “, which should be analyzed,” after “level of debt”.

Page 116, lines 4 and 5, strike “nor policies that would” and insert “or policies that would not”.

Page 116, line 8, strike “States or local units of government”.

Page 121, lines 7 and 8, strike “, or in the preceding 3 calendar years provided,”.

Page 142, line 2, strike “a preexisting voluntary agreement” and insert “solely with respect to a preexisting voluntary agreement as described in section 104(i)(3) of this Act, such voluntary agreement”.

Page 143, line 16, strike “if—” and insert “if one of the following processes has occurred:”.

Page 143, line 17, strike “the Issuer” and insert “CONSULTATION PROCESS.—(A) The Issuer”.

Page 143, line 20, strike “(2)” and insert “(B)”.

Page 144, line 17, insert “and” after the semicolon.

Page 144, line 18, strike “(3)” and insert “(C)”.

Page 144, line 21, strike “; or” and insert a period.

Page 144, lines 22 through 23, strike “(4) notwithstanding paragraphs (1) through (3), the” and insert the following:



1 (2) VOLUNTARY AGREEMENT PROCESS.—The

Page 145, line 2, insert “and section 601(g)(1)(B)”  
after “104(i)(2)”.

