H. R. 11

To prohibit the non-consensual release of claims by States, municipalities, federally recognized Tribes, or the United States against non-debtors, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. CAROLYN B. MALONEY of New York introduced the following bill; which was referred to the Committee on ___________________

A BILL

To prohibit the non-consensual release of claims by States, municipalities, federally recognized Tribes, or the United States against non-debtors, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Stop shielding Assets from Corporate Known Liability by Eliminating non-debt-or Releases Act” or the “SACKLER Act”.

(Original Signature of Member)
SEC. 2. NON-DEBTOR RELEASES.

(a) Prohibition on Certain Non-debtor Releases.—Section 105(b) of title 11, United States Code, is amended by striking “a court may not” and all that follows, and inserting the following: “a court may not—

“(1) appoint a receiver in a case under this title; or

“(2) except as provided by section 524(g) of this title, enjoin or release a claim against a non-debtor by a State, municipality, federally recognized Tribe, or the United States.”.

(b) Temporary Stay on Actions Against Non-debtors.—Section 105 of title 11, United States Code, is amended by adding at the end the following:

“(e) Notwithstanding subsection (b)(2), a court may issue an order staying, for a period not to exceed 90 days, the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding by a State, municipality, federally recognized Tribe, or the United States against a non-debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against a non-debtor that arose before the commencement of the case under this title.”.