

In the Senate of the United States,

December 18 (legislative day, December 17), 2021.

Resolved, That the bill from the House of Representatives (H.R. 1192) entitled “An Act to impose requirements on the payment of compensation to professional persons employed in voluntary cases commenced under title III of the Puerto Rico Oversight Management and Economic Stability Act (commonly known as ‘PROMESA’).”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “Puerto Rico Recovery*
3 *Accuracy in Disclosures Act of 2021” or “PRRADA”.*

4 ***SEC. 2. DISCLOSURE BY PROFESSIONAL PERSONS SEEKING***
5 ***APPROVAL OF COMPENSATION UNDER SEC-***
6 ***TION 316 OR 317 OF PROMESA.***

7 *(a) DEFINITIONS.—In this section:*

8 *(1) LIST OF MATERIAL INTERESTED PARTIES.—*
9 *The term “List of Material Interested Parties” means*

1 *the List of Material Interested Parties established*
 2 *under subsection (c)(1).*

3 (2) *OVERSIGHT BOARD.*—*The term “Oversight*
 4 *Board” has the meaning given the term in section 5*
 5 *of PROMESA (48 U.S.C. 2104).*

6 (b) *REQUIRED DISCLOSURE.*—

7 (1) *IN GENERAL.*—*In a case commenced under*
 8 *section 304 of PROMESA (48 U.S.C. 2164), no attor-*
 9 *ney, accountant, appraiser, auctioneer, agent, or other*
 10 *professional person may be compensated under section*
 11 *316 or 317 of that Act (48 U.S.C. 2176, 2177) unless*
 12 *prior to making a request for compensation, the pro-*
 13 *fessional person has filed with the court a verified*
 14 *statement conforming to the disclosure requirements of*
 15 *rule 2014(a) of the Federal Rules of Bankruptcy Pro-*
 16 *cedure setting forth the connection of the professional*
 17 *person with any entity or person on the List of Mate-*
 18 *rial Interested Parties.*

19 (2) *SUPPLEMENT.*—*A professional person that*
 20 *submits a statement under paragraph (1) shall*
 21 *promptly supplement the statement with any addi-*
 22 *tional relevant information that becomes known to the*
 23 *person.*

24 (3) *DISCLOSURE.*—*Subject to any other applica-*
 25 *ble law, rule, or regulation, a professional person that*

1 *fails to file or update a statement required under*
 2 *paragraph (1) or files a statement that the court de-*
 3 *termines does not represent a good faith effort to com-*
 4 *ply with this section shall disclose such failure in any*
 5 *filing required to conform to the disclosure require-*
 6 *ments under rule 2014(a) of the Federal Rules of*
 7 *Bankruptcy Procedure.*

8 *(c) LIST OF MATERIAL INTERESTED PARTIES.—*

9 *(1) PREPARATION.—Not later than 30 days after*
 10 *the date of enactment of this Act, the Oversight Board*
 11 *shall establish a List of Material Interested Parties*
 12 *subject to—*

13 *(A) the approval of the court; and*

14 *(B) the right of the United States trustee or*
 15 *any party in interest to be heard on the ap-*
 16 *proval.*

17 *(2) INCLUSIONS.—Except as provided in para-*
 18 *graph (3), the List of Material Interested Parties shall*
 19 *include—*

20 *(A) the debtor;*

21 *(B) any creditor;*

22 *(C) any other party in interest;*

23 *(D) any attorney or accountant of—*

24 *(i) the debtor;*

25 *(ii) any creditor; or*

1 (iii) any other party in interest;

2 (E) the United States trustee and any per-
3 son employed in the office of the United States
4 trustee; and

5 (F) the Oversight Board, including the
6 members, the Executive Director, and the em-
7 ployees of the Oversight Board.

8 (3) *EXCLUSIONS.*—*The List of Material Inter-*
9 *ested Parties may not include any person with a*
10 *claim, the amount of which is below a threshold dollar*
11 *amount established by the court that is consistent*
12 *with the purpose of this Act.*

13 (d) *REVIEW.*—

14 (1) *IN GENERAL.*—*The United States trustee*
15 *shall review each verified statement submitted pursu-*
16 *ant to subsection (b) and may file with the court com-*
17 *ments on such verified statements before the profes-*
18 *sionals filing such statements seek compensation*
19 *under section 316 or 317 of PROMESA (48 U.S.C.*
20 *2176, 2177).*

21 (2) *OBJECTION.*—*The United States trustee may*
22 *object to applications filed under section 316 or 317*
23 *of PROMESA (48 U.S.C. 2176, 2177) that fail to sat-*
24 *isfy the requirements of subsection (b).*

1 (e) *LIMITATION ON COMPENSATION.—In a case com-*
 2 *menced under section 304 of PROMESA (48 U.S.C. 2164),*
 3 *in connection with the review and approval of professional*
 4 *compensation under section 316 or 317 of PROMESA (48*
 5 *U.S.C. 2176, 2177) filed after the date of enactment of this*
 6 *Act, the court may deny allowance of compensation or reim-*
 7 *bursement of expenses if—*

8 (1) *the professional person has failed to file the*
 9 *verified disclosure statements required under sub-*
 10 *section (b)(1) or has filed inadequate disclosure state-*
 11 *ments under that subsection; or*

12 (2) *during the professional person’s employment*
 13 *in connection with the case, the professional person—*

14 (A) *is not a disinterested person (as defined*
 15 *in section 101 of title 11, United States Code)*
 16 *relative to any entity or person on the List of*
 17 *Material Interested Parties; or*

18 (B) *represents or holds an adverse interest*
 19 *in connection with the case.*

Attest:

Secretary.

117TH CONGRESS
1ST SESSION

H.R. 1192

AMENDMENT