

News from Senator

BOB DOLE



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DOLE SETS DATE FOR BANKRUPTCY HEARINGS

WASHINGTON -- Senator Robert Dole (R.-Kan.), Chairman of the Senate Judiciary Subcommittee on Courts, announced today that the Subcommittee will hold hearings on January 24th and 25th on bankruptcy reform issues. The primary focus of the hearings will be legislative proposals designed to solve the problems posed for bankruptcy courts by the June, 1982 decision of the United States Supreme Court in the case of Northern Pipeline Co. v. Marathon Pipeline Co. In that case, the Court held that Congress, in rewriting the bankruptcy laws in 1978, granted too much jurisdictional authority to bankruptcy judges in violation of the Constitution.

In addition, the hearings will include testimony on several bankruptcy improvements measures considered last year by the 97th Congress. According to Dole, the hearings will include the Senator's legislative initiatives dealing with consumer bankruptcies, problems posed for farmers by bankrupt grain elevators, and various technical amendments to the Code.

"It is our intention to move swiftly on the bankruptcy improvements bills in this Congress. We have a number of pressing issues, not the least of which is the confusion in the courts generated by the Marathon decision," Dole stated. "In addition, the Senate must address the problem of excessive consumer bankruptcies, which have reached an all-time high. We are looking at legislation which would tighten the requirements for individuals seeking to take straight bankruptcy who could, in fact, pay a significant portion of their debts out of future income."

In response to inquiries as to whether the Committee would use the hearings to further explore the impact of the Johns-Manville bankruptcy, an asbestos company that filed under Chapter 11 for reorganization as a result of asbestosis suits, Dole stated that comprehensive hearings on the Manville situation would be held in late February.