

# Durbin, Graham Introduce National Guard And Reservists Debt Relief Extension Act

November 16 2023 11:04 AM



WASHINGTON – U.S. Senate Majority Whip Dick Durbin (D-IL), Chair of the Senate Judiciary Committee, and U.S. Senator Lindsey Graham (R-SC), Ranking Member of the Senate Judiciary Committee, today introduced the bipartisan *National Guard and Reservists Debt Relief Extension Act* to reauthorize relief for an additional four years for

qualifying members of the National Guard and Reserves experiencing financial hardship. The legislation would protect a long-standing bipartisan carveout from means-testing restrictions in Chapter 7 bankruptcy cases.

“Declaring bankruptcy is a difficult choice for any American, and that option should be assessed using an accurate depiction of a person’s income and financial standing,” said Durbin. “Our National Guard members and reservists must not be penalized for any active duty pay should financial calamity force them to file for Chapter 7 bankruptcy. This bipartisan legislation ensures that they won’t be.”

“I’m proud to reintroduce this measure supporting members of the National Guard and Reserves across the United States,” said Graham. “Providing relief for service members who served their country on active duty is an issue both sides can embrace.”

The *National Guard and Reservists Debt Relief Extension Act of 2023* would reauthorize the *National Guard and Reservists Debt Relief Act of 2008*, which included a clause exempting qualifying members of reserve components of the Armed Forces and the National Guard from provisions in the Bankruptcy Code, which limit access to Chapter 7 bankruptcy based on recent income. Because National Guard members and reservists often receive higher pay while on active duty than at their civilian jobs, these limits could otherwise prevent them from receiving financial relief in bankruptcy. The *National Guard and Reservist Debt Relief Extension Act* ensures that they are not penalized for their service.

The bill is cosponsored by U.S. Senators Sheldon Whitehouse (D-RI), John Cornyn (R-TX), Amy Klobuchar (D-MN), Richard Blumenthal (D-CT), John Kennedy (R-LA), Thom Tillis (R-NC), and Mazie Hirono (D-HI).