

# **Durbin, Graham React To President Biden Signing Their National Guard And Reservists Debt Relief Extension Act Into Law**

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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 applauded President Biden for signing into law

their bipartisan National Guard and Reservists Debt Relief Extension Act, which reauthorizes relief for an additional four years for qualifying members of the National Guard and Reserves experiencing financial hardship. The legislation will protect a long-standing bipartisan carveout from means-testing restrictions in Chapter 7 bankruptcy cases.

The legislation passed the House of Representatives and the Senate earlier this month. The bill was signed into law yesterday.

“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. 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,” said Durbin. “Now that the National Guard and Reservists Debt Relief Extension Act bears President Biden’s signature, the legislation can support service members going through financial difficulty.”

“I’m proud this measure supporting members of the National Guard and Reserves was signed into law,” said Graham. “Providing relief for these service members who served their country while on active duty is an issue both sides can embrace.”

The National Guard and Reservists Debt Relief Extension Act of 2023 will 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.