

Must a Debtor Be Destitute Before Discharging Student Loans?

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Rochelle's Daily Wire, American Bankruptcy Institute

Following the favorable judgement on February 25, Barack Ferrazzano **Bankruptcy & Creditor Rights Group** co-chair **William J. Barrett** was quoted in the American Bankruptcy Institute's (ABI) article entitled, "*Must a Debtor Be Destitute Before Discharging Student Loans?*" for his representation of a *pro bono* client filing for Chapter 7 bankruptcy.

With student loan discharges in bankruptcy being difficult to obtain, the law requires that the person seeking the discharge show that he/she will suffer an "undue hardship" if the loan is not discharged. Bill persuaded the court both that the existing standard as developed in case law was more demanding than what the statute required, and that in any event his client met the more severe standard. Bill told ABI, "It would have been cheaper for [the] Firm to pay off the student loans than to devote the time necessary for the client to win a discharge of the debt."

To learn more, visit: [newsroom-news-521](#)

To read the ABI's article, visit: <https://www.abi.org/newsroom/daily-wire/must-a-debtor-be-destitute-before-discharging-student-loans>

PROFESSIONALS

William J. Barrett

PRACTICE AREAS

Bankruptcy & Creditor Rights