

## HR 8902

Consumer Bankruptcy Reform Act of 2020

**Congress:** 116 (2019–2021, Ended)

**Chamber:** House

**Policy Area:** Finance and Financial Sector

**Introduced:** Dec 8, 2020

**Current Status:** Referred to the Committee on the Judiciary, and in addition to the Committee on Financial Services,

**Latest Action:** Referred to the Committee on the Judiciary, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. (Dec 8, 2020)

**Official Text:** <https://www.congress.gov/bill/116th-congress/house-bill/8902>

### Sponsor

**Name:** Rep. Nadler, Jerrold [D-NY-10]

**Party:** Democratic • **State:** NY • **Chamber:** House

### Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Cicilline, David N. [D-RI-1]	D · RI		Dec 8, 2020

### Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Dec 8, 2020
Judiciary Committee	House	Referred To	Dec 8, 2020

### Subjects & Policy Tags

#### Policy Area:

Finance and Financial Sector

### Related Bills

Bill	Relationship	Last Action
116 S 4991	Related bill	<b>Dec 9, 2020:</b> Read twice and referred to the Committee on the Judiciary.

## **Consumer Bankruptcy Reform Act of 2020**

This bill generally revises consumer bankruptcy law by establishing a new Chapter 10 for individual debtors with not more than \$7.5 million in debt. The bill eliminates the ability of individual debtors to file for bankruptcy under Chapter 7 liquidation bankruptcy and repeals Chapter 13, which requires individual debtors to comply with a repayment plan to receive a discharge of debt.

Under Chapter 10, debtors may receive a discharge of debt through making minimum payment obligations based on the debtor's assets and income which may result in immediate discharge for individuals with no minimum payment obligation. The bill also provides for residential protections for debtors and revises what type of debt is dischargeable in bankruptcy. An individual may obtain a discharge under Chapter 10 once every six years.

Individuals may seek limited bankruptcy proceedings on certain debts, such as a home mortgage.

The bill also establishes consumer bankruptcy protections, including by creating a Consumer Bankruptcy Ombuds at the Consumer Financial Protection Bureau.

### **Actions Timeline**

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- **Dec 8, 2020:** Introduced in House
- **Dec 8, 2020:** Referred to the Committee on the Judiciary, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.