

S 2598

FRESH START Through Bankruptcy Act

Congress: 117 (2021–2023, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Aug 4, 2021

Current Status: Read twice and referred to the Committee on the Judiciary.

Latest Action: Read twice and referred to the Committee on the Judiciary. (Aug 4, 2021)

Official Text: <https://www.congress.gov/bill/117th-congress/senate-bill/2598>

Sponsor

Name: Sen. Durbin, Richard J. [D-IL]

Party: Democratic • **State:** IL • **Chamber:** Senate

Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Cornyn, John [R-TX]	R · TX		Aug 4, 2021
Sen. Hawley, Josh [R-MO]	R · MO		Sep 15, 2021

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	Senate	Referred To	Aug 4, 2021

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Fostering Responsible Education Starts with Helping Students Through Accountability, Relief, and Taxpayer Protection Through Bankruptcy Act of 2021 or the FRESH START Through Bankruptcy Act

This bill revises the treatment of student loans in bankruptcy.

The bill makes federal student loan debt dischargeable in a bankruptcy proceeding ten years after the first loan payment is due, in addition to being dischargeable at any time in cases of undue hardship, as under current law.

Further, institutions of higher education that have at least one-third of their students receiving federal student loans must partially repay a student loan to the Department of Education if that loan is later discharged in bankruptcy. The amount the institution must repay is dependent on the institution's average rates of student loan default and repayment.

Actions Timeline

- **Aug 4, 2021:** Introduced in Senate
- **Aug 4, 2021:** Read twice and referred to the Committee on the Judiciary.