

## S 4980

### Consumer Bankruptcy Reform Act of 2022

**Congress:** 117 (2021–2023, Ended)

**Chamber:** Senate

**Policy Area:** Finance and Financial Sector

**Introduced:** Sep 28, 2022

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

**Latest Action:** Read twice and referred to the Committee on Finance. (Sep 28, 2022)

**Official Text:** <https://www.congress.gov/bill/117th-congress/senate-bill/4980>

## Sponsor

**Name:** Sen. Warren, Elizabeth [D-MA]

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

## Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Whitehouse, Sheldon [D-RI]	D · RI		Sep 28, 2022

## Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Sep 28, 2022

## Subjects & Policy Tags

### Policy Area:

Finance and Financial Sector

## Related Bills

No related bills are listed.

## Consumer Bankruptcy Reform Act of 2022

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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- **Sep 28, 2022:** Introduced in Senate
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