

BREAKING NEWS:
Available Procedure in Student Loan Discharge Cases
By: Judge Caryl E. Delano

The Court recently entered Administrative Order FLMB-2026-4 Prescribing Available Procedures in Adversary Proceedings Filed Under 11 U.S.C. § 523(a)(8) to Determine the Dischargeability of Student Loans Held by the United States Department of Education to facilitate the use of an available resource for preparing document preparation software and a portal for the exchange of information between the debtor and the U.S. Department of Justice (DOJ). The procedures provided for in the Administrative Order were developed in consultation with Middle District attorneys who represent debtors in student loan adversary proceedings and the United States Attorney's Office on behalf of the Department of Education.

Most debtors' attorneys are familiar with the Court's successful mortgage modification mediation program (MMM) and the use of a portal for the exchange of documents between debtors, mortgage lenders/servicers, and the MMM mediator. Although the dynamics of student discharge litigation differ from those of MMMs, the process provided for in the DOJ's 2022 Guidance for Department Attorneys Regarding Student Loan Bankruptcy Litigation (available at www.justice.gov/ust/student-loan-guidance) may be simplified by the use of document preparation software, a case management system, and a portal for the secure transmission of debtors' confidential financial information.

For more information on this available program, please see the Student Loan Discharge Program in the Court's Procedure Manual/Adversary Proceedings.