



George R. Hodges

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United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION**

IN RE:	)	
	)	CHAPTER 7
MELISSA SLAWSKY,	)	
	)	CASE NO. 25-10075
<u>Debtor.</u>	)	
	)	
MELISSA SLAWSKY,	)	
	)	
Plaintiff-Debtor,	)	
	)	ADVERSARY PROCEEDING
v.	)	
	)	
UNITED STATES DEPARTMENT	)	
OF EDUCATION,	)	CASE NO. 25-01004
	)	
<u>Defendant.</u>	)	

CONSENT ORDER ON PARTIAL DISCHARGEABILITY

THIS MATTER CAME BEFORE THE COURT upon the Stipulation and Joint Motion for Order Determining Partial Dischargeability (the “Motion”) filed by Plaintiff Melissa Slawsky, *Pro se* (“Plaintiff”) and Defendant U.S. Department of Education (“Defendant” or “USDE”) in the

above referenced adversary proceeding (the “Adversary Proceeding”). As explained in the Motion, the parties stipulated that Plaintiff has demonstrated that repaying a portion of her student loans, specifically National Student Loan Data System Loans 32-42 (NSLDS 32-42) would impose an undue hardship under the three-pronged test set forth in *Brunner v. N.Y. State Higher Educ. Servs. Corp.*, 831 F.2d 395, 396 (2d Cir.1987). See *Frushour v. Educ. Credit Mgmt. Corp.*, 433 F.3d 393, 400 (4th Cir. 2005) (adopting the *Brunner* test).

Specifically, the parties first assert that Plaintiff has demonstrated she cannot maintain a minimal standard of living if she had to repay her pre-MBA student loans (NSLDS 32-42). Plaintiff’s monthly expenses (which appear reasonable and non-frivolous) outweigh her monthly gross income without including any loan payments. She only exceeds the Internal Revenue Service’s Collection Financial Standards in rent, where she has resided for the past eight years, and food, where specialized liquid meal replacements are used for dental deterioration and two missing teeth. Additionally, her uninsured medical costs exceed IRS standards, due largely to her increasing health and dental conditions. Even if such costs had met the allowable standards, her total expenses would still exceed her income and demonstrate an inability to pay.

Second, the parties consent or stipulate that Plaintiff has shown her circumstances will likely persist throughout a significant portion, if not all, of her student loans’ repayment period, particularly because her pre-MBA loans have been in repayment for more than ten years, with payment history dating to 2003. Such circumstances are unlikely to change because, despite holding a Ph.D. and MBA, Plaintiff’s earning capacity remains constrained by the contingent nature of higher-education employment, with her current adjunct work (2025-2026) mirroring her earlier adjunct employment (2006-2016). Though Plaintiff has pursued additional education and alternative employment, it is reasonable to conclude that her ability to repay will continue to be

limited by a chronic spinal condition and related health challenges, broader labor shifts, such as AI-driven displacement of her prior consulting work, rising living expenses, and long-term dependent care obligations. At the present accrual rate of approximately \$733.56 per month in interest, the loan balance is projected to exceed \$420,000, further supporting that Plaintiff's inability to make meaningful repayment is likely to persist.

Third, the parties stipulate that Plaintiff has made good faith efforts to repay her student loans. She made over 55 post-consolidation payments and 13 qualifying Public Service Loan Forgiveness (PSLF) payments, participated in income-driven repayment programs, requested or received numerous forbearances or deferments, maintained communication with her loan servicers, and obtained guidance from multiple attorneys prior to and during the attestation process. The Plaintiff also sought to maximize her earning potential through multiple career pivots and personal challenges, while practicing expense minimization.

The Court finds that Plaintiff has shown the repayment of her pre-MBA student loans (NSLDS 32-42) would impose an undue burden under *Brunner* for the reasons discussed in the Motion.

The Court further finds that NSLDS Loan 43 does not impose an undue burden on Plaintiff-Debtor, is not discharged, remains unaffected by these bankruptcy proceedings, and will survive the bankruptcy with interest continuing to accrue on the remaining balance at the contract rate.

IT IS ORDERED that the parties' Joint Motion for Order Determining Partial Dischargeability is granted as set forth below:

1. Plaintiff-Debtor's NSLDS Loans 32-42 are dischargeable under 11 U.S.C. § 523(a)(8); and
2. The Court's prior Order granting Plaintiff's discharge under 11 U.S.C. § 727 on July

28, 2025, in Bankr. Case No. 25-10075 at Doc. 20 discharges Plaintiff's student loan debt identified in the Motion as NSLDS Loans 32 through 42;

3. NSLDS Loan 43 is not discharged, remains unaffected by these bankruptcy proceedings, and will survive the bankruptcy with interest continuing to accrue on the remaining balance at the contract rate;

4. This adversary proceeding is dismissed with each party bearing their own costs and fees.

WE CONSENT:

RUSS FERGUSON
UNITED STATES ATTORNEY

s/Gill P. Beck

Gill P. Beck
Assistant United States Attorney
Chief, Civil Division

s/Melissa M. Slawsky

Melissa M. Slawsky
Debtor, *Pro se*

**This Order has been signed electronically.
The judge's signature and court's seal
appear at the top of the Order.**

United States Bankruptcy Court