

<b>Chronology of Student Loan Discharge</b>	
<b>Date</b>	<b>Event</b>
1978	Under the Bankruptcy Code, all student loans were dischargeable in Chapter 7 five years after first due and always dischargeable in Chapter 13
May 1982	Brunner receives Masters degree in Social Work.
December 1982	Brunner files Chapter 7, seeking discharge of \$9,000 of student loans.
1987	<i>Brunner</i> decided.
1990	Crime Control Act of 1990 extended period for discharge in Chapter 7 from five to seven years, with dischargability of all government student loan subject to the "undue hardship" standard in Chapter 13 also.
1991	Higher Education Act amended to permit administrative wage garnishment of 10% of income and intercept tax refunds for student loans.
1996	Debt Collection Improvement Act of 1996 amended to allow offset of Social Security benefits and 6-year statute of limitations for collection of student loans was repealed.
1998	Higher Education Amendments eliminated the waiting period, making dischargability of all government student loan subject to the "undue hardship" standard.
2005	BAPCPA makes dischargability of all private student loan subject to the "undue hardship" standard.
2006	Deficit Reduction Act of 2005 increase administrative wage garnishment from 10% to 15% of income.

11 U.S.C. § 524(m)(1):

Until 60 days after an agreement of the kind specified in subsection (c) is filed with the court (or such additional period as the court, after notice and a hearing and for cause, orders before the expiration of such period), **it shall be presumed that such agreement is an undue hardship on the debtor if the debtor's monthly income less the debtor's monthly expenses as shown on the debtor's completed and signed statement in support of such agreement required under subsection (k)(6)(A) is less than the scheduled payments on the reaffirmed debt.** This presumption shall be reviewed by the court. The presumption may be rebutted in writing by the debtor if the statement includes an explanation that identifies additional sources of funds to make the payments as agreed upon under the terms of such agreement. If the presumption is not rebutted to the satisfaction of the court, the court may disapprove such agreement. No agreement shall be disapproved without notice and a hearing to the debtor and creditor, and such hearing shall be concluded before the entry of the debtor's discharge.