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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA**

**IN RE: GUIDELINES FOR ADVERSARY
PROCEEDINGS UNDER 11 U.S.C. §
523(a)(8) FOR STUDENT LOANS HELD
BY THE DEPARTMENT OF
EDUCATION**

GENERAL ORDER 23-03

The United States Department of Justice (“DOJ”), in cooperation with the United States Department of Education (“DOE”), announced guidance regarding student loan bankruptcy litigation (“DOJ Guidance”) which applies only to student loans held by the DOE, and which became effective on November 17, 2022.

The DOJ Guidance seeks to: (1) set clear, transparent, and consistent expectations for discharging DOE student loans that debtors represented by counsel and self-represented litigants can understand; (2) simplify the fact-gathering process and reduce debtors’ burden in filing adversary proceedings aimed at getting a discharge of DOE Student Loans; and (3) increase the number of proceedings where the DOE stipulates to facts demonstrating the existence of


1 undue hardship, where facts support it, and recommends the court discharge a
2 debtor's DOE Student Loans.

3 The Federal Rules of Civil Procedure do not allow enough time for the DOE to
4 provide DOJ with all the information and documentation necessary to make its
5 recommendation to the court as required by the DOJ Guidance.
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7 The U.S. Bankruptcy Court for the Central District of California (the "Court")
8 believes that allowing time for parties to comply with the DOJ Guidance will save
9 resources of the parties and the Court and will make management of adversary
10 proceedings relating to DOE Student Loans under 11 U.S.C. § 523(a)(8) efficient and
11 fair. The Court prepared its own "GUIDELINES FOR ADVERSARY PROCEEDINGS
12 UNDER 11 U.S.C. § 523(a)(8) FOR STUDENT LOANS HELD BY THE DEPARTMENT
13 OF EDUCATION" which apply only to student loans held by the DOE in adversary
14 proceedings under 11 U.S.C. § 523(a)(8). These guidelines are posted in The Central
15 Guide and are adopted by the Court by this general order.
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19 **IT IS SO ORDERED.**

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21 DATED: September 25, 2023
22

23 
24 THEODOR C. ALBERT
25 Chief Judge
26 United States Bankruptcy Court
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