



U.S. House of Representatives Committee on the Judiciary F. James Sensenbrenner, Jr., Chairman

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News Advisory

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Justice Department Will Utilize Flexibility in New Bankruptcy Law to Assist Hurricane Katrina Victims

Letter to Chairman Sensenbrenner Describes 7 Steps Department is Taking

WASHINGTON, D.C. – The Justice Department today in a letter to House Judiciary Committee Chairman F. James Sensenbrenner, Jr. (R-Wis.) states it will utilize the flexibility in the new bankruptcy reform law to assist the victims of Hurricane Katrina and other natural disasters. The letter, in response to a September 27, 2005 letter from Chairman Sensenbrenner, describes the 7 steps the Justice Department’s U.S. Trustee Program is taking to ensure that appropriate discretion under the new law is exercised in a way most favorable to victims of natural disasters.

Chairman Sensenbrenner stated, “I commend the Justice Department for utilizing the new law’s flexibility to assist the victims of Hurricane Katrina. The new law anticipated disasters such as Hurricane Katrina; as a result, Congress crafted this bipartisan law to provide compassion and flexibility to those affected. The appropriate steps announced today demonstrate this key aspect of the new law will be implemented as intended. In addition, I look forward to seeing the new law in effect nationwide so those abusing the current bankruptcy system to shirk their child support obligations and other responsibilities will no longer be successful.”

The Justice Department’s letter to Chairman Sensenbrenner is available at <http://judiciary.house.gov/media/pdfs/bankhurricanedoj10505.pdf>.

Chairman Sensenbrenner’s September 27, 2005 letter to the Justice Department is available at <http://judiciary.house.gov/media/pdfs/bankhurricanefjs927-05.pdf>.

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