The Honoring American Veterans in Extreme Need (HAVEN) Act of 2019

Senators Tammy Baldwin (D-WI) and John Cornyn (R-TX)

The objective of the *HAVEN Act* is to secure the economic well-being of veterans and dependents who rely on disability compensation and may be experiencing financial hardship.

The Problem

Under current bankruptcy law, disability benefits paid by the Department of Veterans Affairs and the Department of Defense are included in the calculation of a debtor's disposable income, which increases the portion of the debtor's income that is subject to the reach of creditors. By contrast, current bankruptcy law explicitly exempts Social Security disability benefits from this disposable income calculation.

The Solution

To eliminate this unequal treatment of disability benefits, the *HAVEN Act* would exclude VA and DoD disability payments made to veterans or their dependent survivors from the monthly income calculation used for bankruptcy means testing.

Disabled veterans have earned their disability-related benefits in defense of our nation, and these disability-related benefits honor their service and the sacrifices that they have made. Forcing debtor beneficiaries to dip into these funds to pay off creditors not only dishonors their service and sacrifice, but also puts taxpayers at risk by increasing the likelihood that the beneficiary and his or her dependents will require public assistance.

The *HAVEN Act* also complements recent congressional efforts to combat servicemember and veteran mental health issues, addiction, suicide, poverty, and homelessness – all of which are exacerbated by financial hardship.

Support

The *HAVEN Act* has been endorsed by a wide array of stakeholder groups, including: American Legion, Association of the United States Army, Association of the United States Navy, Paralyzed Veterans of America, Retired Enlisted Association, Society of Military Widows, Veterans for Common Sense, U.S Army Warrant Officers Association, and the VFW.

Cosponsors

Senators Tammy Baldwin (D-WI), John Cornyn (R-TX), Doug Jones (D-AL), Thom Tillis (R-NC), Diane Feinstein (D-CA), Joni Ernst (R-IA), Jon Tester (D-MT), Chuck Grassley (R-IA), Tina Smith (D-MN), Kevin Cramer (R-ND), Dick Durbin (D-IL), Jerry Moran (R-KS), Patrick Leahy (D-VT), Tom Cotton (R-AR), Tammy Duckworth (D-IL) and Marco Rubio (R-FL).