

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA

IN RE:)
)
JOHNNY C. BACON,) Case No. 19-10676
)
Debtor.)

ORDER OVERRULING OBJECTION TO CONFIRMATION

This case came before the court for a confirmation hearing on October 10, 2019. The court overrules the trustee’s objection to confirmation (doc. 60) for the reasons discussed below.

The trustee objected to confirmation based on feasibility. However, both counsel for the trustee and counsel for the debtor acknowledge that the objection does not take into account the Honoring American Veterans in Extreme Need (“HAVEN”) Act, Public Law No. 116-52, 133 Stat. 1076, which was signed into law on August 23, 2019 and became effective immediately. The HAVEN Act excludes certain benefits paid to veterans from the definition of Current Monthly Income in 11 U.S.C. § 101(10A), which may affect the trustee’s determination of projected disposable income available for a chapter 13 plan.

The only question before the court is whether the debtor can take advantage of the HAVEN Act since his case was filed before the HAVEN Act became law. The text of the HAVEN Act does not state that it applies only to cases filed after its effective date. Further, the Act’s objective “is to secure the economic well-being of veterans and dependents who rely on disability compensation and may be experiencing financial hardship.” *See Haven Act Aims to Help Servicemembers*, 38 Am. Bankr. Inst. J. 10, 10 (Apr. 2019). Given the purpose of the Act, it would be an absurd result to require a debtor who would otherwise qualify for the exclusions

provided for therein to dismiss his or her case and then refile, incurring an additional filing fee and attorney's fees.

The court thus holds that the debtor may exclude his veteran's benefits, as defined under the Haven Act, from the definition of Current Monthly Income.¹ Accordingly, the court overrules the trustee's objection (doc. 60).

Dated: October 11, 2019


HENRY A. CALLAWAY
CHIEF U.S. BANKRUPTCY JUDGE

¹ The court is not reaching the issue of whether chapter 13 debtors with confirmed plans can modify them to take advantage of the HAVEN Act.