

# McGuireWoods, MWC Instrumental in New Law That Protects Veterans in Bankruptcies

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McGuireWoods and MWC professionals

From left: John Thompson, Mona Mohib, Ryan Bernstein, Edward Hill, Frank Donatelli and former U.S. Rep. L.F. Payne

On Aug. 23, President Donald Trump signed legislation that helps American military veterans shield disability and other Veterans Administration benefits during bankruptcy proceedings. McGuireWoods and its public affairs arm, McGuireWoods Consulting, worked pro bono on the legislation — the Honoring American Veterans in Extreme Need (HAVEN) Act — which reverses an inequity in the law that harmed service members facing financial distress.

McGuireWoods Washington, D.C., partner [John Thompson](#) played a key role raising awareness of the need for the legislation and worked with the law firm's Veteran Lawyers Network and the American Bankruptcy Institute's Task Force on Veterans and Servicemembers Affairs to help craft, advocate for and collect co-sponsors in support of the HAVEN Act. The bipartisan measure — proposed by U.S. Sens. Tammy Baldwin, D-Wisc., and John Cornyn, R-Texas — passed in the House and Senate in August.

The HAVEN Act excludes VA benefits from being counted as disposable income when determining eligibility for Chapter 7 bankruptcy, treating them the same as Social Security benefits (and income for victims of war crimes and terrorism). VA benefits had been counted as "current monthly income," pushing financially distressed veterans into the more lengthy Chapter 13 bankruptcy process and committing their benefits toward repaying creditors.

"Though unintentional, the former law discriminated against those who've served their country in the military and were disabled as a consequence of that service. Consider that a person disabled in a car wreck could protect Social Security disability benefits in bankruptcy proceedings, but a combat veteran disabled by an improvised explosive device in Iraq could not," said Thompson. An Army veteran, John chairs the firm's Veteran Lawyers Network and co-chairs the legislative subcommittee of the ABI Veterans Task Force. "The ABI Veterans Task Force, McGuireWoods' Veteran Lawyers Network and McGuireWoods Consulting's federal government relations team did tremendous work to advance this proposal," he said.

[Mona Mohib](#), [Ryan Bernstein](#), [Edward Hill](#), [Frank Donatelli](#) and former U.S. Rep. [L.F. Payne](#) from McGuireWoods Consulting's federal government relations team played vital roles in developing the proposal and assisting the ABI Task Force in getting the legislation passed in Congress. "We are especially appreciative of the collaboration from our MWC colleagues because without their insights, connections and guidance, we simply could not have gotten this done," Thompson said.

Mohib added, "This important pro bono matter is yet another example of what McGuireWoods and Consulting can do when we work together. This was a truly worthwhile cause that will have a real-life impact on veterans."

"McGuireWoods was honored to play a role in this important effort to give military veterans going through tough times greater ability to support themselves and their families," said McGuireWoods Chairman Jonathan Harmon, a West Point graduate and Army combat veteran who served in Operation Desert Storm. "Our Veteran Lawyers Network does great work for those who have served and sacrificed for our country, and we could not be more proud."

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