

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEBRASKA

IN THE MATTER OF)
)
STEPHANIE ANN HERNANDEZ) BK85-157
)
DEBTOR) A85-0139
)
STEPHANIE ANN HERNANDEZ)
)
Plaintiff)
)
vs.)
)
NILE VALLEY FEDERAL SAVINGS)
AND LOAN ASSOCIATION and)
NEBRASKA HIGHER EDUCATIONAL)
PROGRAM, INC.)
)
Defendant)

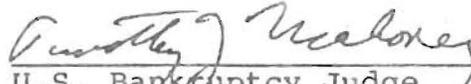
JOURNAL ENTRY

This matter came on for hearing upon the Plaintiff's complaint to determine dischargeability of educational loans pursuant to 11 U.S.C. §523(a)(8). Appearing on behalf of the Debtor/Plaintiff was Theodore M. Henderson of Western Nebraska Legal Services, North Platte, Nebraska. Appearing on behalf of Defendant was Nancy Svoboda of North Platte, Nebraska.

The Court finds that debtor was unable to complete her education because ADC regulations required her to register for and accept work. Debtor is the sole support of herself and four children aged ten and under. She suffers from diabetes and a hernia condition. Her present job appears to be of a temporary nature, and it is likely that, when this job is terminated, she will again have to rely on ADC payments for support. When questioned, debtor listed expenses of \$400 per month for rent, \$80 for utilities, \$16 for phone, and \$100 for groceries. The Court believes that this is obviously not an exhaustive list of expenses for a family of five and that even the \$800 per month the debtor is temporarily making is not sufficient to enable the debtor to make payments on her educational loans. Therefore, the Court finds that, under §523(a)(8)(B), excepting debtor's educational loans would impose an undue hardship on the debtor and the debtor's dependents. Judgment is entered in favor of defendant, and IT IS ORDERED that debtor's educational loans are discharged.

DATED: June 16, 1987

BY THE COURT:



U.S. Bankruptcy Judge

Copies to:

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