



NEWS RELEASE

Administrative Office of the U.S. Courts

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Second Quarter 1999 Shows Slight Drop in Bankruptcy Filings

The number of bankruptcy petitions filed in federal courts dropped slightly in the 12-month period ending March 31, 1999, according to statistics released today by the Administrative Office of the U.S. Courts. Bankruptcy filings went from 1,423,128 in the 12-month period ended March 1998 to 1,419,199 in the same time period in 1999, a decline of 0.3 percent. This is the first time the total number of bankruptcy cases filed has fallen in federal courts since filings first hit the one million mark in 1996.

The number of bankruptcies filed during the second quarter of fiscal year 1999 (January 1, 1999—March 31, 1999) was 330,784, a 7 percent decrease over the 354,118 bankruptcy cases filed during the second quarter of FY98.

Despite this decrease, well over one million bankruptcy cases continue to be filed in federal court each year. The workload has strained a Judiciary where new bankruptcy judgeships were last created in 1992, and where the number of bankruptcy filings has increased by well over 500,000 between 1995 and 1999.

The Judicial Conference has asked Congress to create 24 new bankruptcy judgeships.

Filings by Chapter

Of the total number of bankruptcy filings for the 12-month period ending March 31, 1999, there were 1,017,049 Chapter 7 filings, a 1 percent increase over the 1,007,213 filings in the same period in 1998. The next largest group of filings were Chapter 13 filings at 393,245, a 3 percent

decrease over the 404,749 filings in the same 12-month period in 1998. Chapter 11 filings dropped to 8,010 in the 12-month period ending March 31, 1999, down from 10,244 in 1998. Chapter 12 filings

Business and Non-business Filings, Years Ended March 31, 1995-99

<u>Year</u>	<u>TOTAL</u>	<u>Non-Business</u>	<u>Business</u>
1999	1,419,199	1,378,071	41,128
1998	1,423,128	1,370,490	52,638
1997	1,247,065	1,193,057	54,008
1996	980,126	927,916	52,210
1995	838,959	787,291	51,668

(MORE)

also fell in this period, from 880 in 1998 to 859 in 1999. Business filings totaled 41,128. Non-business filings totaled 1,378,071, up 1 percent from the total non-business filings of 1,370,490 in the 12-month period ending March 31, 1998.

Chapter 7 is designed to allow individuals to keep certain exempt property while the remaining property is sold to repay creditors. Under Chapter 13 bankruptcy, creditors may be repaid in installments, in full or in part, over a 3- to 5-year period. Chapter 11 provides for a business to continue operations while formulating a plan

Quarterly Bankruptcy
Filings*

3-Month Period

<u>Ending</u>	<u>Total Filings</u>
MAR. 31, 1999	330,784
DEC. 31, 1998	353,108
SEPT. 30, 1998	361,205
JUN. 30, 1998	373,460
MAR. 31, 1998	354,118
DEC. 31, 1997	347,685
SEPT. 30, 1997	353,515
JUN. 30, 1997	367,168
MAR. 31, 1997	335,073
DEC. 31, 1996	311,131
SEPT. 30, 1996	303,309
JUN. 30, 1996	297,162
MAR. 31, 1996	266,149
DEC. 31, 1995	244,494
SEPT. 30, 1995	233,593
JUN. 30, 1995	235,302
MAR. 31, 1995	212,626
DEC. 31, 1994	201,618
SEPT. 30, 1994	208,187
JUN. 30, 1994	216,213
MAR. 31, 1994	206,565
DEC. 31, 1993	206,570
SEPT. 30, 1993	215,498
JUN. 30, 1993	229,406
MAR. 31, 1993	222,694
DEC. 31, 1992	228,562
SEPT. 30, 1992	236,810
JUN. 30, 1992	250,622
MAR. 31, 1992	252,733
DEC. 31, 1991	234,383
SEPT. 30, 1991	231,743
JUN. 30, 1991	246,496
MAR. 31, 1991	231,017
DEC. 31, 1990	209,798

Total Bankruptcy Filings by Bankruptcy Chapter					
Years Ended March 31, 1995-1999					
Year	Chapter				
	7	11	12	13	Other
1999	1,017,049	8,010	859	393,245	36
1998	1,007,213	10,244	880	404,749	42
1997	862,136	11,472	1,050	372,369	38
1996	665,310	12,901	988	300,901	26
1995	568,565	14,055	916	255,382	41

to repay its creditors. Chapter 12 is designed to meet the needs of financially distressed family farmers.

The following tables are available:

Table F Bankruptcy Cases Commenced, Terminated and Pending During the 12-month Periods Ended March 31, 1998 and 1999.

Table F-2 Business and NonBusiness Cases Commenced by Chapter of the Bankruptcy Code During the 12-month Period Ended March 31, 1999.

Table F-2 Business and NonBusiness Cases Commenced by Chapter of the Bankruptcy Code During the 3-month Period Ended March 31, 1999.

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*Because of ongoing corrections to the bankruptcy database, the quarterly data may not total to the most recent annual figures.