

UPDATE

Presented at the Chapter 13 Mini-Seminar on December 10, 2021
by Robert L. Jones, United States Bankruptcy Judge

I. News

- Chief Judge Harlin DeWayne (Cooter) Hale is retiring on June 1, 2022.
- Sara Kathryn Mayson (now Jackson) concluded her clerkship in August and took a position with the UST in Alexandria, Virginia. Mercer Martin is serving as my clerk for the 2021-2022 term. Mercer is from Missouri and is a graduate of the Washington University School of Law in St. Louis.
- Upon the request of a local chapter 13 practitioner, I reconsidered the requirement that chapter 13 debtors appear for confirmation hearings in plans that pay less than 70% to unsecured creditors, a practice that applied to Lubbock cases only. While I routinely waived this requirement upon request, I decided to formally eliminate this requirement. *See* Memorandum to Bar, dated July 12, 2021.
- On November 19, 2021, I issued a directive that we would resume in-person hearings for our four divisions beginning December 15, 2021. We will not be totally in-person, however. You should refer to the Memorandum of November 19, 2021, posted on the Court's website.

II. Bankruptcy Filings – Chapter 13s continue to decline

- Bankruptcy filings continue to plummet, especially chapter 13 filings.
 - *See* Addendum attached.
- Interesting points re filings:
 - COVID-19 has obviously impacted filings, but not as we expected.
 - Looking into 2022: the expiration of relief programs, rising inflation, and supply chain challenges may impact the pace of filings—dare we say better days are ahead?
 - According to the ABI, total bankruptcy filings through November are on pace to result in the lowest annual number of filings since calendar year 1985.
 - The rate of filings by state during the COVID-19 pandemic are interesting.

- Texas, New York, and Delaware rank 1, 2, and 3 in total chapter 11 filings per capita (chapter 11 filings per 10,000 businesses)
- Alabama, Tennessee, and Mississippi are the three highest states for filings per capita by individuals (filings per 100,000 people). Texas is 45th. The lowest number of individual filings per capita are in Alaska, Vermont, and Massachusetts.

III. Questions Lawyers Have (from Metroplex panel of all judges)

- Why do you take things under advisement when we need rulings now?
- Why do you “do your own research” instead of just relying on the parties’ briefing?
- Why do you have a hearing on motions to extend stay when there is no objection filed and why do you require testimony at that hearing?
- Why do you write opinions?
- Why do you dismiss cases so soon for failure to file paperwork and why do you dismiss these cases with prejudice instead of without prejudice?

ADDENDUM

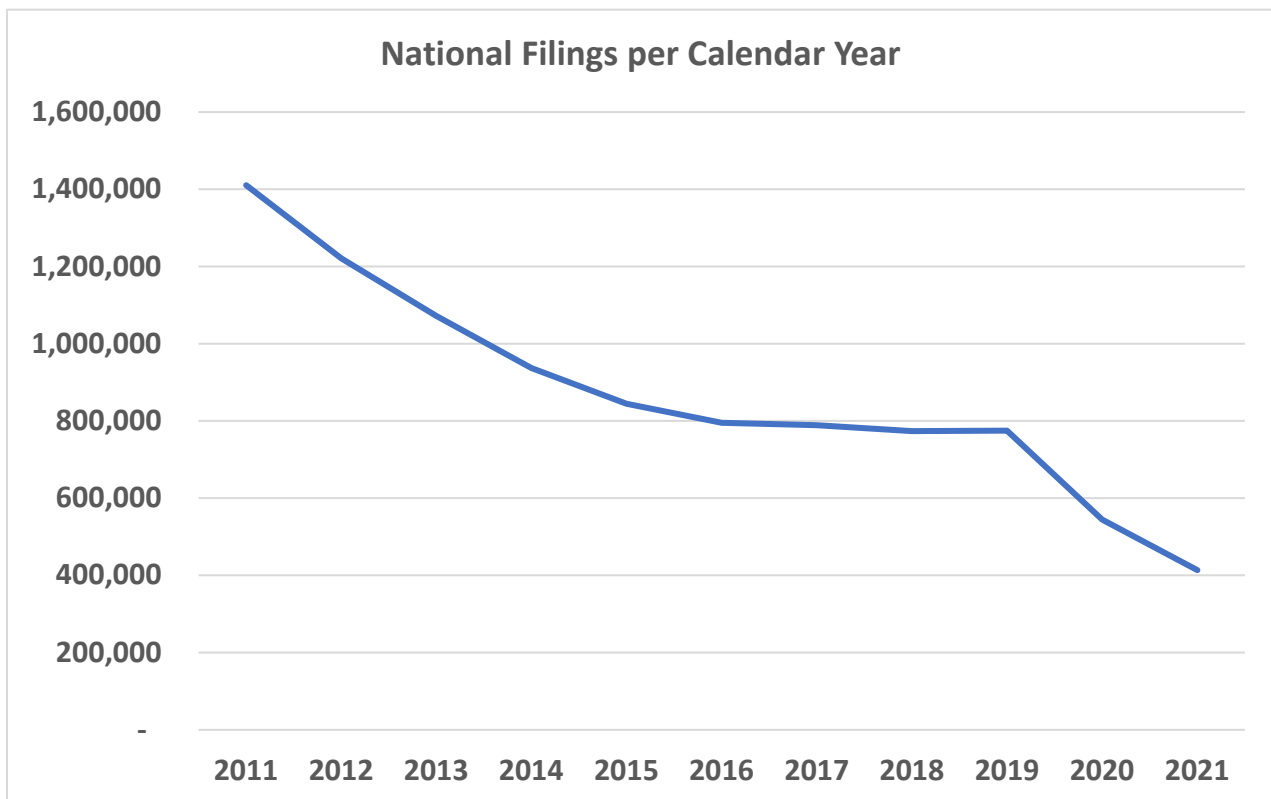
Bankruptcy Filings

Nationally

For the 12 months ending September 30, 2021, total bankruptcy filings were 434,540, a decrease of 29% compared to the 612,561 filings in the prior 12-month period.

For comparison, national filings for the past five years were as follows:

Year Ending	Ch 7	Ch 11	Ch 12	Ch 13	TOTAL ¹
9/30/2021	310,597	5,622	344	117,784	434,540
9/30/2020	409,164	8,188	581	194,384	612,561
9/30/2019	478,838	7,320	583	289,802	776,674
9/30/2018	477,248	7,014	468	288,550	773,375
9/30/2017	486,542	7,052	508	296,599	790,830



¹ Totals include filings for all chapters, including chapters 9 and 15.

Northern District of Texas

During the twelve months ending September 30, 2021, there were 6,968 cases filed in the Northern District, a decrease of 26% from the 9,420 cases filed during the previous twelve-month period. On a divisional basis, the year-to-year filing variances were as follows:

Dallas/Wichita Falls	-27%
Fort Worth	-26%
LAA&SA	-23%

We presently have 45 pending chapter 11 cases in the Lubbock, Abilene, Amarillo, and San Angelo divisions, 21 of which are subchapter V cases. Within these divisions, the breakdown of pending cases is as follows:

	7	11	11V	12	13
ABI	52	0	3	6	406
AMA	69	13	3	10	254
LBK	80	11	15	18	242
SA	32	0	0	0	62
Totals	233	24	21	34	964

**U. S. BANKRUPTCY COURT - NORTHERN DISTRICT OF TEXAS
TOTAL MONTHLY CASE FILING TREND
(12 MONTH ROLLING AVERAGE)
10 Year View through SEPTEMBER 2021**

