

LOWEST CHAPTER 13 FILINGS SINCE BEFORE 1994

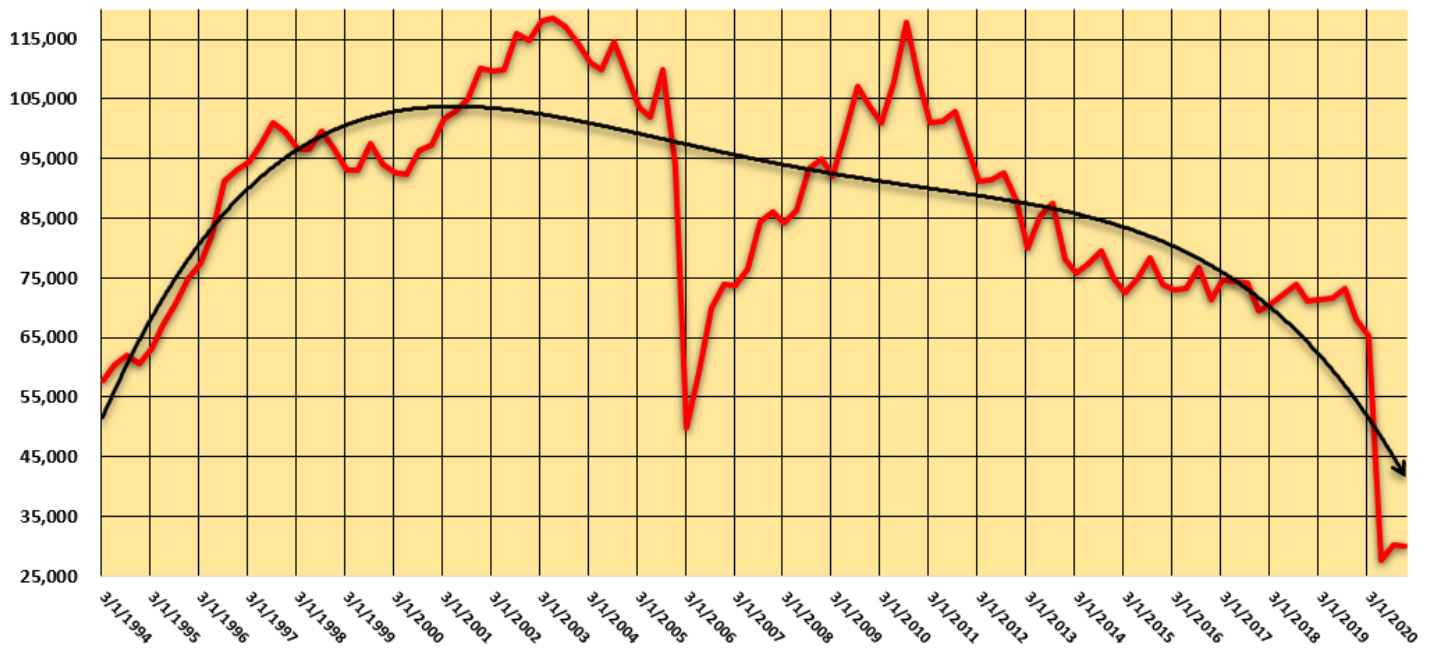
(Hon. Kevin R. Anderson)

The published bankruptcy statistics by the U.S. Courts only go back to 1994.¹ But as you are already painfully aware, 2020 by far had the lowest Chapter 13 filing rate during this 26-year period. Even after BAPCPA, filings only dropped to 49,850 in 1st Qtr. 2006, while 2rd Qtr. 2020 only saw 27,557 Chapter 13 filings. The quarterly average for the last three quarters of 2020 was only 29,195 cases!

As previously mentioned, this decline cannot be an indication of decreased need for Chapter 13 relief, but only that stimulus and forbearance programs have forestalled the events that trigger a Chapter 13 filing. However, mortgage delinquency rates have only increased from 2.31% to 2.81% during 2020, and the unemployment rate went from 3.5% in Feb. to a max of 14.7% in April, to a more manageable 6.7% as of Nov.

Nonetheless, as we continue to traverse *terra incognita* in the areas of finance, politics, and an unprecedented pandemic, certainly more surprises, both pleasant and otherwise, await us in 2021.

Chapter 13 Filings Per Quarter



¹ <https://www.uscourts.gov/statistics-reports/caseload-statistics-data-tables>