

## **Summary of 2014 Annual Case Filings Report**

As is required by BAPCPA, the Director of the Administrative Office of the United States Courts submits an annual report to Congress compiling certain bankruptcy statistics collected by bankruptcy courts. The statistics collected monitor cases filed by debtors that have primarily consumer debts and record, among other things, the total number of filings under each chapter, the completion of chapter 13 plans, assets and liabilities in the cases, time between filing and dismissal, and the number of repeat filings.

Statistics from 2014 show that that nationwide, bankruptcy filings are down about 12 percent from 2013. Debtors predominately chose to utilize chapter 7, filing approximately 66 percent of all petitions under chapter 7, and 34 percent under chapter 13. This is a slight increase in chapter 13 filings from last year. Repeat filings for chapter 13 debtors increased by about three percent. Nationwide the bankruptcy system dealt with \$87,087,433,000 in assets and \$140,169,628,000 in liabilities; \$741,855,000 of those assets were in South Carolina, along with \$1,003,167,000 in liabilities.

In South Carolina and the Fourth Circuit, the statistics show some differences from the national trends. Filings in the Fourth Circuit were down 11 percent, with 58 percent of debtors choosing chapter 7, and 42 percent choosing chapter 13. In South Carolina, filings overall, and for each chapter, decreased by about 4 percent. The only district in the Fourth Circuit whose filings decreased less than South Carolina was the Southern District of West Virginia, with a decrease of less than one percent. Sixty percent of cases filed in South Carolina were chapter 13 filings, and there was a three percent increase in repeat filings. However, despite having a similar percent increase in repeat filings as the nationwide increase, only 28 percent of chapter 13 debtors in South Carolina had previous filings, while nationwide 36 percent of chapter 13 cases were repeat filings.

The national completion rate of chapter 13 plans is up to 51 percent over last year's 45 percent. Dismissals for failure to make plan payments are also up slightly, from 52 percent to 54 percent. The District of Vermont stands out nationally as having the highest percentage at 86 percent of chapter 13 cases that close after plan completion. Fifty-two percent of South Carolinian chapter 13 debtors completed their plans, and 67 percent of cases dismissed were for failure to make plan payments. Nearly 80 percent of all proposed plans that were completed ended without any modifications. The Fourth Circuit's plan completion rate is slightly higher than our district, at 55 percent. The Fourth Circuit stand-out district is the Eastern District of North Carolina, with the highest plan completion rate of 61 percent, and a high dismissal rate for failure to make plan payments at 89 percent.

South Carolina debtors reported an average monthly income of \$2,725, which is slightly higher than the national average of \$2,616 and slightly lower than the Fourth Circuit average of \$2,861. Their average monthly expenses were the second lowest in the circuit, at \$2,444, with the circuit average being \$2,858 and the national average at \$2,600. The median chapter 7 case in South Carolina took 104 days, and the median chapter 13 case was open for 1,341 days (about 44 months). These numbers are fairly consistent with the average days a case was open in 2013, and the chapter 13 completion rate. Nationwide, the number of days a chapter 13 case is open increased from 1,092 to 1,229, also following the increase in the nationwide completion rate.