



NEWS RELEASE

Administrative Office of the U.S. Courts

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Contact: Karen Redmond

Need for Additional Bankruptcy Judges at a Critical Level

Citing an unprecedented number of cases filed and pending in the bankruptcy courts and strained judicial resources, a federal judge today asked Congress to create the first new bankruptcy judgeships since 1992.

Judge Michael J. Melloy of the Court of Appeals for the Eighth Circuit, appeared before the House Judiciary Subcommittee on Commercial and Administrative Law, in his capacity as chair of the Judicial Conference Committee on the Administration of the Bankruptcy System. The Judicial Conference of the United States is the policy-making body of the federal Judiciary.

The new bankruptcy judgeships, Judge Melloy told the subcommittee, “are critical to ensure that the bankruptcy courts have sufficient judicial resources to effectively and efficiently adjudicate the rights and responsibilities of parties in bankruptcy cases and proceedings.”

Pending bankruptcy judgeship legislation, H.R. 1428, reflects the Judicial Conference’s recent recommendation for the authorization of 36 more judgeships in 22 judicial districts.

“New bankruptcy judgeships have not been authorized by Congress since 1992,” said Judge Melloy. “Since that time, case filings have increased nationally by 61 percent. In response to this increase, the Judicial Conference—as part of its process of reviewing bankruptcy judgeship needs every two years—made recommendations to Congress for additional bankruptcy judgeships in 1993, 1995, 1997, 1999 and this year.”

Many factors are considered in assessing a district’s request for additional bankruptcy judgeships and before the Conference recommends any new judgeships. First is the expectation that, in addition to other judicial duties, a bankruptcy court should have a threshold caseload of 1,500 annual case-weighted filings per authorized judgeship to justify additional judgeship resources. Among the other factors considered by the Committee are the nature and mix of the court’s caseload, historical caseload data and filing trends, geographic, economic and demographic factors in the district, the effectiveness of case management efforts by the court, and the availability of alternative solutions and resources for handling the court’s workload.

(MORE)

“The Bankruptcy Committee recommended that the Judicial Conference ask Congress to authorize 36 additional judgeships in 22 judicial districts,” Judge Melloy told the subcommittee. “The Committee noted that each of these districts experienced a sustained period of heavy per judgeship weighted case filings, straining the abilities of its judges to administer its caseload effectively.” Judge Melloy noted that the weighted filings per judgeship in every district included in the current recommendation were above the 1,500 level and that each district had a demonstrated need to increase its judicial resources. A chart is attached showing the weighted caseloads per judgeship in each of the district where new judgeships are recommended.

The Judicial Conference also approved a Committee recommendation to convert two existing temporary judgeship positions to permanent judgeship positions, extend two existing temporary bankruptcy judgeships and transfer a permanent bankruptcy judgeship shared by two districts into a permanent judgeship for only one district.

“In addition to record case filings over the past 10 years,” Judge Melloy testified, “bankruptcy courts now face cases that are more complex and time-consuming than anything previously handled. Cases such as Enron, Global Crossing, and K-Mart consume a tremendous amount of a bankruptcy court’s time. Complex airline industry cases, cases involving debtor’s mass tort liabilities, and cases with hundreds of subsidiary filings or adversary proceedings are overwhelming certain judges and courts.” Judge Melloy also noted that, with the expiration of temporary judgeships created by the Bankruptcy Judgeship Act of 1992, the bankruptcy system has operated since 2000 with only 324 judgeship positions—fewer than authorized by Congress 11 years ago.

“Although the Judiciary has developed creative and innovative techniques,” said Melloy, “to fully utilize its existing judicial resources and manage increasing caseloads—including the use of temporary bankruptcy judges, recalled bankruptcy judges, inter-and intracircuit assignments, and advanced case management techniques—the bankruptcy courts can no longer operate as effectively as the American public deserves because of the heavy weighted per judge caseloads. Our judicial resources are strained, and the cost to society of an overburdened bankruptcy system is enormous.” Judge Melloy urged Congress to provide for 36 additional bankruptcy judgeships as requested by the Judicial Conference.

What Is a Weighted Case Filing?

In the Judiciary’s judicial work measurement system, a case weight based on time records is assigned to each of 17 categories of cases filed in the bankruptcy courts. The case weight and the number of cases filed in each category determine the weighted caseload, and helps the Judiciary determine the number of judges needed in each district. The Judicial Conference has adopted the general policy that before a district may be considered for an additional bankruptcy judgeship, that district’s judicial workload should be at a level of at least 1,500 direct case-related hours per judgeship. This is in addition to an estimated average of about 700 hours per year per judge spent on such activities as administrative matters, legal research, and travel to divisional offices. Neither the direct case-related figure nor the 700 “other matters” figure include holiday, vacation or sick time.

**Summary of Recommended Additional Judgeships, Extensions, Conversions and Transfers
with Recent Weighted Filings per Currently Authorized Judgeship**

District	Current Authorized Judgeships	Additional Judgeships Recommended by the Judicial Conference of the United States	Weighted Filings per Authorized Judgeship (Year Ended December 31)				
			1998	1999	2000	2001	2002
District of Puerto Rico	3	1	1,808	1,903	1,656	1,768	1,769
Northern District of New York	2	1	2,117	1,917	1,858	2,153	2,321
Southern District of New York	* 9	2	1,046	928	1,269	2,336	3,346
District of Delaware	* 2	4	3,259	5,073	7,193	14,174	12,171
District of New Jersey	8	1	1,931	1,958	1,804	1,876	1,926
Eastern District of Pennsylvania	5	1	1,573	1,598	1,671	1,890	2,106
Middle District of Pennsylvania	2	1	1,828	1,652	1,788	2,009	2,028
District of Maryland	4	4	3,024	2,637	2,851	2,804	3,604
Eastern District of North Carolina	2	1	1,768	1,728	2,187	2,326	2,617
District of South Carolina	2	1	1,250	1,330	1,381	2,502	2,898
Eastern District of Virginia	5	1	1,794	1,586	1,527	1,772	2,100
Northern District of Mississippi	1	1	2,218	1,974	2,066	2,284	2,538
Southern District of Mississippi	2	1	2,073	1,918	1,988	2,389	2,283
Eastern District of Michigan	4	2	1,897	2,006	1,902	2,485	3,281
Western District of Tennessee	4	2	2,529	2,527	2,392	2,904	2,975
Arkansas (Eastern & Western)	3	1	1,649	1,538	1,778	2,001	2,217
District of Nevada	3	2	1,651	1,610	1,634	2,179	2,643
District of Utah	3	1	1,399	1,500	1,455	1,850	2,125
Middle District of Florida	8	2	1,608	1,619	1,601	1,883	1,996
Southern District of Florida	5	2	1,958	1,969	2,032	2,319	2,344
Northern District of Georgia	8	2	1,479	1,366	1,592	1,681	1,955
Southern District of Georgia	2.5	2	1,990	1,807	2,070	2,188	2,237

* Reflects the FJC adjustment for mega-11 cases.

District	Current Authorized Judgeships	Recommended Action per JCUS Report	Weighted Filings per Authorized Judgeship (Year Ended December 31)				
			1998	1999	2000	2001	2002
District of Puerto Rico	3	Convert	1,808	1,903	1,656	1,768	1,769
Northern District of Alabama	6	Extend	1,370	1,221	1,268	1,359	1,345
Eastern District of Tennessee	4	Extend	1,176	1,202	1,177	1,480	1,426
District of Delaware	2	Convert	3,259	5,073	7,193	14,174	12,171
Middle District of Georgia	2.5	Transfer .5 from GA,S	1,935	1,831	1,932	2,275	2,312
Southern District of Georgia	2.5	Transfer .5 to GA,M	1,990	1,807	2,070	2,188	2,237