

1960 and 29,651 in 1964—an increase of over fifty per cent in the past five years alone and of over six hundred per cent during the fifteen-year period.¹¹⁵ More than ninety per cent of these were nonbusiness bankruptcies in 1964: They were filed by individuals and families whose personal debts had become too much for them.¹¹⁶ If the overall increase in bankruptcies has been rapid, personal bankruptcies have been rising even faster, both in California and throughout the country.¹¹⁷

Today one out of every six persons who files bankruptcy does so in California.¹¹⁸ Why is bankruptcy a matter of concern? First, as Myers notes: "The bankruptcy problem is important because of the human distress it represents. Although uninformed people may minimize the gravity of the consumer bankruptcy problem by saying that only one-tenth of one per cent of the population goes bankrupt, there is a qualitative dimension in human distress that is understated by such statistics."¹¹⁹

Secondly, losses from nonbusiness bankruptcies now exceed one billion dollars a year nationally.¹²⁰ Wage garnishments that precipitate bankruptcy hurt not only the debtor and his family but a good many creditors as well.

The extent to which wage garnishments contribute to bankruptcy cannot be measured precisely. We do not know in how many individual bankruptcies a garnishment was the last straw. Even if we knew, we could not tell how many such bankruptcies would have happened sooner or later in any event. We are not entirely without data: We know the number of bankruptcies on a state-by-state basis and we know the garnishment laws of the states. Any comparison between them must be treated with great

¹¹⁵ 1950 DIRECTOR OF THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS, ANNUAL REPORTS [hereinafter cited ANNUAL REPORT] Table F-2; 1960 *Id.* at Table F-2; 1964 *Id.* at Table F-2. California is not alone. Between 1947 and 1963, nonbusiness bankruptcies in the U.S. increased 1260% while the population grew 31.3%. Myers, *Non-Business Bankruptcies*, in PROCEEDINGS OF TENTH ANNUAL CONFERENCE, COUNCIL ON CONSUMER INFORMATION 2. They nearly quadrupled in the decade 1953-62. See also Countryman, *The Bankruptcy Boom*, 77 HARV. L. REV. 1452 (1964).

¹¹⁶ 1964 ANNUAL REPORT Table F-3. Of the 29,651 bankruptcy petitions filed in California in 1964, 26,980 or 91% were personal bankruptcies. The figures for nonbusiness or personal bankruptcies used throughout are the sum of the voluntary "employee" and "other non-business" bankruptcy filings shown in Table F-3.

¹¹⁷ In California, personal bankruptcies rose from 17,265 in 1960 to 26,980 in 1964, up 56%. All other bankruptcy filings rose from 2,139 to 2,671, up 25%. The U.S. figures for the same years are: personal bankruptcies—97,742 and 155,193, up 59%; all other bankruptcies—12,292 and 16,526, up 34%. 1960 ANNUAL REPORT Tables F-2, F-3; 1964 *Id.* at Tables F-2, F-3.

¹¹⁸ During the year ending June 30, 1964, 26,980 nonbusiness bankruptcy petitions were filed in California, 155,193 in the U.S. Note 117 *supra*.

¹¹⁹ Myers, *supra* note 115, at 9. Myers argues that bankruptcy is at least as important as many medical and social problems whose per capita incidence is no higher and toward whose solution we contribute generously.

¹²⁰ *Id.* at 9-10; Countryman, *supra* note 115, at 1456.