District of Oregon:

(1) Increased the salary of the part-time bankruptcy judge at Eugene from $28,800 per annum to $31,800 per annum.

GUIDELINES FOR CHAPTER 13 ADMINISTRATION

The Guidelines for the administration of Chapter 13 cases, previously adopted by the Conference, require Standing Chapter 13 Trustees with receipts in excess of $100,000 per annum to have an annual audit of their accounts by an independent auditor. The Committee pointed out that the cost of such an audit has risen substantially over the past ten years and, as a consequence, a trustee whose receipts are in the range of $100,000 is unable to pay for an audit and remain within the five percent limit on costs imposed by the Bankruptcy Code. It was the view of the Committee that the Guidelines should be modified to require an annual audit only when the receipts of the Standing Trustee for a 12-month period exceed $200,000. Upon the recommendation of the Committee the Conference amended Guideline No. 2 to read as follows:

> Where the annual receipts of the Standing Chapter 13 trustee are equal to or exceed $200,000, there should be an annual audit by an independent auditor.

BANKRUPTCY WORKLOAD

Judge DeMascio informed the Conference that the Committee had requested the Administrative Office to develop statistical information on bankruptcy case filings and workload on a county-by-county basis. The Committee believes this information will be useful in determining whether to expand or reduce the number of places of holding bankruptcy court. This information is scheduled to be reviewed at the next meeting and the Committee hopes to present an analysis at the next session of the Conference.

BANKRUPTCY LEGISLATION

The Conference reviewed the various proposals pending in the 98th Congress which address the issue of bankruptcy jurisdiction arising out of the Supreme Court decision in the Northern Pipeline case. After full discussion the Conference adopted the following statement:

> There is no present crisis in the operation of the bankruptcy court system. Members of the Judicial Conference of the United States unanimously agree that the Model Rule for the Continued Operation of the Bankruptcy Court System is working well. The district and bankruptcy judges are administering the business of the bankruptcy courts effectively.
>
> Since March of 1977 the Judicial Conference has strongly opposed the creation of a separate court for bankruptcy proceedings whether constituted under Article I or Article III of the Constitution. The Conference recommends that the Congress not enact H.R. 3, 98th Congress, or any bill, that creates separate Article III bankruptcy courts.
>
> The Supreme Court in Northern Pipeline invalidated part of the jurisdiction conferred upon existing departmental bankruptcy courts in the 1978 Bankruptcy Reform Act. Congress must decide whether to clarify bankruptcy jurisdiction or restructure bankruptcy courts.
>
> If Congress decides to clarify jurisdiction the Judicial Conference recommends legislation that will statutorily authorize those procedures now employed under the Model Rule for the Continued Operation of the Bankruptcy Court System.
>
> If Congress decides to restructure the bankruptcy courts, the Judicial Conference supports the concepts embodied in S. 443, 98th Congress, and opposes those embodied in H.R. 3.