

REPORT OF THE JUDICIAL CONFERENCE

Special Session, April 1947.

Pursuant to previous agreement and understanding of the Conference,¹ and upon call of the Chief Justice issued March 18, 1947, a special session of the Judicial Conference was convened on April 21, 1947, and continued for two days.

The special session was called primarily for the purpose of making the determinations and taking action upon various matters relating to the establishment of a "salary system" for Referees in Bankruptcy as required of the Conference by the provisions of the Bankruptcy Act, as amended June 28, 1946 (Pub. Law 464-79th Cong., 60 Stat. 323).

The following judges were present:

The Chief Justice, Presiding,
District of Columbia, Chief Justice D. Lawrence Groner,
First Circuit, Senior Circuit Judge Calvert Magruder,
Second Circuit, Senior Circuit Judge Learned Hand,
Third Circuit, Senior Circuit Judge John Biggs, Jr.,
Fourth Circuit, Senior Circuit Judge John J. Parker,
Fifth Circuit, Circuit Judge Joseph C. Hutcheson, Jr.,
Sixth Circuit, Senior Circuit Judge Xenophon Hicks,
Seventh Circuit, Senior Circuit Judge Evan A. Evans,
Eighth Circuit, Senior Circuit Judge Kimbrough Stone,
Tenth Circuit, Senior Circuit Judge Orrie L. Phillips.

As guests of the Conference District Judge Claude McCulloch, Portland, Ore., attended the morning session on the first day, and District Judge John C. Knox, Southern District of New York, attended the afternoon session on the second day.

Henry P. Chandler, Director, Elmore Whitehurst, Assistant Director, Will Shafroth, Chief, Division of Procedural Studies and Statistics, Edwin L. Covey, Chief, Bankruptcy Division,

¹ October Conference, 1946.

and various members of their respective staffs, of the Administrative Office of the United States Courts were in attendance throughout the session.

Bankruptcy Administration.—The Act of June 28, 1946,² known as the Referees' Salary Act (hereinafter referred to as the amendatory act), contemplates the abolition of the "fee and commission" system of compensating referees for services rendered, and the institution of a fixed salary basis of compensation with a view toward "creating and maintaining a system of full-time referees."

The enactment of this legislation represents the first time that a departure from the established fee and commission basis of payment for referees in bankruptcy has been permitted by the Congress. While this method of payment is as old as the system itself,³ the belatedness of legislative authorization for a change is not indicative of a theretofore efficient and generally approved system. Criticism of the manner of payment arose almost as soon as the system became effective.⁴

The Bankruptcy Act and its administration has been the subject of exhaustive and extensive study by public and private parties almost since its inception.⁵ In practically every instance, the defects of the fee and commission system of payment, as well as the necessity for a full-time system of referees,

² Pub. Law 464—79th Cong. 60 Stat. 323.

³ Inasmuch as the Act of 1867 (14 Stat. 517, 518) creating a "register" provides the earliest officer comparable to the present referee, and since the acts of 1898 and 1938 continued in effect the commission basis of payment, the Act of 1867 for the purposes of this report, is considered as establishing the present system of payment.

⁴ "§ 10 of the 1867 Act provided for fees for the register to be fixed by the Supreme Court. Considerable complaint about the system resulted only in a modification of the schedule of fees in 1874. When the Bankruptcy Act of 1898 was passed, the fee system was retained, and no change was made by the Chandler Act of 1938." Atty. Gen'l Comm'sd rept. 1940, p. 84.

⁵ "Numerous public and private studies have been made of the Bankruptcy Act almost since its inception. Of particular importance, however, are the investigations conducted by Col. William J. Donovan, 1929 (H. Comm. Print, 71st Cong. 3d Sess.); by Sol. Gen'l Thomas D. Thatcher in 1930-31 (S. Doc. No. 65, 72d Cong. 1st sess.); by William G. McAdoo from 1933 to 1935 (Investigation of Bankruptcy and Receivership Proceedings in United States Courts, pursuant to S. Res. 78, 73d Cong. 2d sess.); and the investigation made for the Senate Judiciary Committee by Percival E. Jackson in 1936 (S. Doc. No. 268, 74th Cong. 2d sess.)." Atty. General Comm's. rept. (1940), note 1, p. 1.

have been recognized and recommendations for improvements therein made.⁶ And, although numerous efforts have been made to secure legislative approval for a change to a salary basis none was successful until the present authorization was granted.⁷

In April 1939, Attorney General Frank Murphy, now an Associate Justice of the Supreme Court of the United States) appointed a Committee to examine the administration of the Bankruptcy Act.⁸ In its course of study, the Committee

⁶ Atty. General Comm.'s rpt. (1940) p. 2; See the Thacher Committee's Report, p. 125 and the Jackson rpt. p. 73, footnote 5, supra. The Donovan Report (1930) while recognizing the deficiency of the system made no recommendations, stating that further study was necessary.

The desirability of a limitation in the number of referees had been recognized even before the Act of 1898. The early Lowell bill [fn. 7] attempted to limit the number of referees by providing for one referee for each congressional district. The Torrey Bill went even farther, and provided that in case a referee closed fewer than 50 cases in any year, he was to be dropped, and his territory consolidated with that of the existing referees. See Thacher Report, p. 62; Atty. Genl. Comm.'s rpt. (1940) p. 140; and, tentative draft of the Chandler Act submitted by the National Bankruptcy Conference in 1935, p. 112 (note).

In 1881 Judge Lowell of Massachusetts drafted a bill which would authorize a change to a salary basis. It was introduced in Congress that year, and persistently thereafter until 1898. In 1889 Col. Torrey of St. Louis drafted a bill which was introduced in 1890 and finally passed as the Bankruptcy Act of 1898, which also contained provision to place the referees on a salary basis. However, just before the Torrey bill passed, the salary provision was dropped.

The Hastings-Michener Bill of 1932 (S. 3866, 72d Cong. 1st Sess.) drafted in connection with the Thacher Comm.'s Rpt. and recommendations; the Duffey Bill, H. R. 5356, 74th Cong., 1st sess. (1935), and the Ashurst Bill, S. 2550, 76th Cong. 1st sess. (1939), all provided for fixed salaries for referees.

⁸ This Committee was originally composed of: Solicitor General Robert H. Jackson, Chairman (now an Associate Justice of the Supreme Court of the United States); Hon. Robert P. Patterson, United States Circuit Judge for the Second Circuit (now Secretary of War); Hon. Jesse H. Jones, Chairman Board of Directors, Reconstruction Finance Corporation (later Secretary of Commerce, and Federal Loan Administrator); Hon. Edward H. Foley (now Asst. Secretary of the Treasury); Hon. Jerome N. Frank, Chairman, Securities and Exchange Comm. (now United States Circuit Judge for the Second Circuit); Willard L. Thorp, Department of Commerce (later Asst. Secretary of State for Economic Affairs); Hon. William J. Campbell, United States Attorney (now United States District Judge for the Northern District of Illinois); Asso. Justice (now United States Circuit Judge for the Sixth Circuit) Thomas McAllister of the Supreme Court of Michigan; Dean Lloyd K. Garrison, University of Wisconsin Law School; Dean Francis M.

pursued every avenue consistent with its resources to determine facts and opinions on the problems under consideration. Basic data were collected by numerous questionnaires sent not only to persons engaged in bankruptcy administration, such as district judges, referees, trustees, and receivers, but also to those with special knowledge or wide experience in bankruptcy, such as credit organizations, bar associations, members of the National Bankruptcy Conference and the like. Personal interviews were had, field studies were made in several cities, available statistical data in the Department of Justice, and other government agencies, were analyzed and, in addition, approximately 1,750 recently closed cases were scrutinized with the cooperation of many of the law schools of the country.⁹

The Committee completed its work and submitted its report to the Attorney General in December 1940. In a general summarization of the report, the Committee stated, in part, as follows:

Unfortunately, the reform of bankruptcy procedures during the past decade has not been accompanied by corresponding improvements in administration. The need was recognized; each of the major studies has accompanied its recommendations for procedural changes with recommendations for improvement in supervision and coordination of administration. It is to that question that this study is primarily devoted.

This report deals with two aspects of bankruptcy administration which the Committee believes present the paramount need for reform at the present time. The

Shea (later Assistant Attorney General of the United States), University of Buffalo Law School, and Max Lowenthal, Counsel, Subcommittee of the Committee on Interstate Commerce, United States Senate.

Dean Shea was initially made the Director. Shortly after the naming of the Committee, Dean Shea was appointed an Assistant Attorney General, and his place was taken by Charles A. Horsky, Esq., of the District of Columbia Bar; and, upon the appointment of Hon. Robert H. Jackson as Attorney General, the Chairmanship of the Committee was taken by Assistant Attorney General Shea. George S. Elpern and Leon Frechtel, of the New York Bar, served as Asst. Directors; and Sidney Schwartz, also of the New York Bar, served as an assistant in research.

⁹ Atty. Gen'l Comm.'s Rpt. (1940) pp. x-xi.

first of these aspects is the present lack of, and the necessity for creating, some effective and responsible coordination and supervision of bankruptcy administration as a whole. The second aspect is the necessity for improving the refereeship system by limiting the number of referees, putting each of them on a full-time basis, and modifying the anachronistic system under which they are at present compensated and their expenses paid. Atty. Gen'l. Comm.'s Rpt. (1940) p. 2.

[So far as the first aspect of the Committee's report is concerned, the establishment, pursuant to action of the Judicial Conference, in January 1941, of a Bankruptcy Division in the Administrative Office of the United States Courts, meets the Committee's recommendations.]

On January 21, 1941, upon request of the Attorney General, and pursuant to call of the Chief Justice (the Hon. Charles Evans Hughes), the Judicial Conference of Senior Circuit Judges met in special session to consider the report and recommendations of the Attorney General's Committee. And, after full consideration of the report, the Conference, with respect to the proposals to place referees on a fixed salary basis, and to inaugurate a full-time system of referees, adopted the following resolution:

Resolved, That it is the sense of the Conference that the fee system for the pay of referees in bankruptcy should be abolished and a system of full-time referees at fixed salaries, as recommended by the Attorney General's committee, should be adopted for the country at large in so far as such system may be justified by local conditions; further, that a nation-wide survey should be conducted by the Director of the Administrative Office with view of determining whether or not such system is practicable in all districts and areas of the country and, if not, to what extent it should be supplemented by part-time referees on a salary basis; and further, that

both with respect to full-time referees and with respect to such part-time salaried referees as may be found necessary, the Conference should be authorized, upon the recommendation of the Director, to determine the number of referees, the territory over which each shall exercise jurisdiction, the salaries they shall receive, and any changes which may be made with respect to these matters (Rpt., Jud. Conf. Spec. Sess., Jan. 1941, p. 3):

and, thereupon, adopted the following recommendations:

1. That the legislation to be enacted authorize this Conference to determine whether part time salaried referees are necessary in any district or area of the country in lieu of the full time referees proposed in the report;

2. That the Director be authorized by such legislation to conduct a nation-wide survey with a view of determining the number of full time salaried referees and, if the appointment of part time salaried referees is recommended, the number of such part time salaried referees, together with the territory to be served by each in either case, and the salaries to be paid them, and to report the result of his findings to this Conference and to the various Circuit Councils of the circuits for which such referees are to be appointed, and such Councils shall make recommendations to this Conference with regard thereto;

3. That this Conference be vested with authority to determine, in the light of recommendations of the Director and of the Circuit Councils, the exact number of referees to be appointed, the territory over which they shall exercise jurisdiction, the salaries they shall receive, and any changes which may be made thereafter as to their respective numbers, territories, or salaries;³⁰

³⁰ While the Conference was in accord generally with the principles and objectives of the Attorney General's Committee, it differed with the Committee's thoughts with respect to the manner of their accomplishment. The major differences concerned full-time employment of all referees, the Conference agreeing this should be done where practical, but where not, part-time referees should be named; the manner of appointment; the des-

The Conference in a subsequent session, September 1942, authorized the Chief Justice to appoint a committee of the Conference to consider and report on matters of Bankruptcy Administration. The Chief Justice (Hon. Harlan Fiske Stone), thereupon, designated the following as members of this Committee:*

United States Circuit Judges:

Orie L. Phillips, Denver, Chairman.
 Jerome N. Frank, New York, N. Y.
 John B. Sanborn, St. Paul, Minn.

United States District Judges:

William C. Coleman, Baltimore, Md.
 F. Ryan Duffy, Oshkosh, Wisconsin.
 H. Church Ford, Lexington, Ky.
 Ralph E. Jenney, San Diego, Calif.

*The personnel of this Committee has remained the same since this designation, excepting Judge Jenney, who died in July 1945. District Judge Claude McCulloch, of Portland, Oregon, was designated to succeed him.

Since its creation, the Committee has followed closely the legislative proposals affecting the Conference's recommendations.

The first effort to secure legislative authorization necessary for the effectuation of the Conference's recommendations, was the introduction in the House of Representatives of a bill (H. R. 4394) by Representative Charles F. McLaughlin, Chairman of the special subcommittee on Bankruptcy and Reorganization, of the House Judiciary Committee, during the first session of the 77th Congress. Extensive hearings were had on the bill, and the proposed legislation, with some Committee amendments, was reported favorably by the Committee. However, this effort failed to succeed, and similar bills were introduced in the 78th and 79th Congresses by Representative Sam Hobbs, of Alabama, a member of the House Judiciary Committee. During the 79th Congress, some further amendments to the bill were proposed and incorporated in a bill (H. R. 4160) in-

ignation of jurisdiction, the fixing of salaries (amount), etc. For the purpose of full comparison, reference is made to the Report of the Attorney General's Committee (1940) pp. 132, et seq., and the Report of the Judicial Conference, Special Session, January 1941, pp. 3, et seq.

troduced by Representative Chauncey W. Reed, of Illinois, also a member of the House Judiciary Committee. Hearings on the bill were held by the Committee which reported it favorably to the House, where it passed without opposition. It passed the Senate with minor amendments and was approved by the President on June 28, 1946.¹¹

Thus, the present amendatory act is the result of years of continuous concerted effort on the part of the three branches of government—the Legislative, the Executive, and the Judicial.

Section 4 of the amendatory act provides, in part, as follows:

SEC. 4. Section 37 of such Act, as amended, is amended to read as follows:

“SEC. 37. NUMBER AND TERRITORIES OF REFEREES.—a. The Director shall recommend to the district judges, the councils and the conference the number of referees to hold appointment and the territory which each shall serve, after he has made a careful study of conditions throughout the country as a whole, and of local conditions, including the estimated amount of funds available for salaries, the areas and the populations to be served, the transportation and communication facilities, the previous types and amount of business under this Act in such areas and where such business is centered, the existing personnel, and any other material factors. The territory of a referee may, if it is deemed advisable, lie within more than one judicial district, but shall be within one circuit: *Provided, however,* That the jurisdiction of a referee in any matter referred to him shall not be restricted to the territory to be served by him but shall, unless otherwise provided in this Act, be coextensive with the territorial jurisdiction of the court or courts of bankruptcy whose judges participated in appointing him.

“b. (1) The Director shall, within one year immediately following the date of the enactment of this amendatory Act, make the initial surveys required by

¹¹ Public Law 464—79th Cong., 60 Stat. 323.

subdivision a of this section, and required for subdivisions a and c of section 40, paragraph (2) of section 633, and paragraph (3) of section 659 of this Act. Thereafter, the Director shall, from time to time, make such surveys, general or local, as the conference shall deem expedient. In the course of such surveys, the Director shall give consideration to suggestions from any interested parties, including district judges, referees, bar associations, trade associations, and the like. *The surveys shall be made with a view toward creating and maintaining a system of full-time referees.* However, should the Director find, as a result of any such surveys, any area in which the employment of a full-time referee would not be feasible because of the small amount of business under this Act and the extent of the territory to be served, he shall also report separately thereon, with a statement of all the pertinent facts and data and his recommendations and the reasons therefor. Upon the completion of the initial surveys, the Director shall report to the district judges, the councils and the conference concerning the number of referees, their respective territories, the amounts of their respective salaries, and the schedules of additional fees to be charged in asset, arrangement and wage-earner cases. The district judges shall advise their respective councils, and the councils shall advise the conference, in respect thereto, stating their recommendations and their reasons therefor. *The conference shall determine*, in the light of the recommendations of the Director and of the councils, the number of referees, full-time and part-time, to be appointed, the respective territories which they shall serve, including the regular place of office and the places at which courts shall be held, their respective salaries, and schedules of graduated additional fees to be charged in asset, arrangement and wage-earner cases, and such determinations shall become effective sixty days after they are promulgated by the conference." [Italics supplied.]

Immediately following approval of the amendatory act, the Director of the Administrative Office of the United States Courts, in conformity with the directives of the statute, commenced his study "of conditions throughout the country as a whole, and of local conditions, including the estimated amount of funds available for salaries, the areas and the populations to be served, the transportation and communication facilities, the previous types and amount of business under this act in such areas and where such business is centered, the existing personnel, and any other material factors". The surveys were conducted under the general supervision of the Director, and under the direct supervision of Mr. Edwin L. Covey, Chief, Bankruptcy Division of the Administrative Office.

During the course of the survey, data were gathered from every known source; reports of the various Attorneys General's Committees, with supporting data, were reviewed and analyzed; semi-annual reports of referees, reports of private organizations, and the bankruptcy files of the Administrative office were scrutinized. Compilation and cataloguing of these statistical data, district by district, dating from July 1, 1936 to the time of the survey resulted in there being made available, in convenient form, comprehensive information covering every district in the country. Included in the information set forth in these compilations were the following:

1. The number of cases pending at the beginning of each fiscal year, the number of cases filed, the number of cases closed and the number pending at the close of each year from July 1, 1936 to June 30, 1946. During this ten-year period the total number of cases closed annually was broken down to show separately the number of each type of case closed, that is asset cases, nominal and no asset cases, section 75 and chapter cases. Similar compilations by types of cases were made to show the annual realizations in asset and nominal asset cases and the amounts paid or to be paid in the various chapter cases. In addition, yearly averages during the ten year period were computed, showing the various types of cases filed and closed, and the realizations or the amounts paid or to be paid in each type of case. From

the above information an estimate of the average annual earnings for the district during the ten-year period was compiled.

2. The number of bankruptcy cases commenced, terminated and pending during each of the five fiscal years commencing July 1, 1941 and ending June 30 1946. This information was broken down by types of cases showing separately the number of such cases in straight bankruptcy and under section 75 (farmer-debtor), chapter IX (municipal adjustments), section 77B and chapter X (corporate reorganizations), section 74 and chapter XI (arrangements), chapter XII (real estate arrangements), chapter XIII (wage-earner plans), and section 77 and chapter XV (railroad reorganizations). A yearly average for this five-year period was computed for each type of case.

3. The number of asset, nominal asset and no asset cases and the amount of gross assets realized in each year in straight bankruptcy cases terminated during the five year period commencing July 1, 1941 and ending June 30, 1946; the amounts paid or to be paid in arrangement and chapter cases terminated each year during the same five-year period; and the yearly average of such cases, showing the volume of each type of case in totals and percentages for each district.

4. Personnel data for all referees in an appointment status on July 1, 1946, showing the official headquarters, age, number of years in service and territory served by each referee.

5. The number of asset, nominal and no asset cases handled by each referee (including his predecessor in the same territory, if any), and the proceeds realized in each type of case during each fiscal year, commencing July 1, 1941 and ending June 30, 1946. The yearly average total and percentage of all types of cases handled by each referee in each district was also compiled. This information was particularly helpful in determining where the bankruptcy business in the district is centered.

6. The annual earnings of each referee as reported in the semi-annual reports showing separately by years

the closing fees, claim fees, commissions and special master fees received during the five-year period from July 1, 1941 to June 30, 1946. The total earnings of all referees in each district were also compiled by years so as to show the total income reported from all of the bankruptcy business in the district during each year. The yearly average earnings of each referee were computed as well as the yearly average total income of all the referees in the district.

7. The amount of indemnity or expense moneys received annually by each referee during the five fiscal years mentioned above. From this the yearly average amount of expense money received in the district was computed.

8. Colored maps of each district showing the territories served by referees in office July 1, 1946, for use in studying possible consolidations, physical characteristics of the districts, distances and similar matters, were prepared.

On August 5, 1946, Mr. Covey, under whose direct supervision the surveys were being conducted, and Mr. Whitehurst, Asst. Director of the Administrative Office, met with the Conference Committee on Bankruptcy Administration in Denver, Colorado. This meeting was for the purpose of reporting on the progress of the statistical part of the surveys; permitting a review of the data being assembled in order that a determination as to their sufficiency might be made, and for the consideration of the proposed program for the completion of the survey.

The Committee was of the opinion that satisfactory progress had been made and that the information which was being assembled was, except for a few minor additions, adequate and met the requirements of the statute. The Committee suggested that as the information was compiled for each district it be presented by representatives of the Administrative Office to as many district judges and referees as possible in order that local conditions might be studied at first hand and the data could be fully discussed with the district judges and others interested in bankruptcy matters.

A progress report by the Conference Committee was given to the Conference at its regular session in October, 1946. The Conference, at this time, indicated satisfaction with the progress that had been made and the manner and method in which the survey was being conducted. The Conference also agreed to the calling of a special session of the Conference some time during the Spring of 1947, probably in April, for the purpose of reviewing the Director's recommendations and, otherwise, complying with the directives of the statute insofar as Conference action was required.

Following the August meeting with the Conference Committee in Denver, upon completion of the compilation of data for a particular district, the survey Director, or a representative from his staff, visited the district and conferred with the district judge and others interested in the matter. With the exception of the districts of North Dakota, South Dakota, New Mexico, and the Western District of North Carolina, every district in the country was visited (excluding Alaska, Hawaii, and Puerto Rico). These conferences, which extended through January 1947, afforded an opportunity for the data so assembled to be considered both by the district judges, and by the survey staff itself, in the light of current and prospective local conditions and needs in the districts; the recommendations and suggestions of the individuals visited were recorded and made part and parcel of the survey.

As these conferences were completed, the survey Director and his staff reviewed their determinations in the light of the additional information they had secured, giving consideration to the recommendations and suggestions of those visited. Advisable revisions and modifications of previous conclusions were made.

Thereupon, the Survey Director submitted his report and recommendations to the Director of the Administrative Office. The report showed the nature of the data which had been considered in the conclusions reached. It contained specific statements of the reasons for providing for part-time referees in those districts in which part-time rather than full-time referees were recommended. It showed in a schedule the

recommended number, full-time or part-time, salary, regular place of office, places of holding court, and territory for the referees of each district, and, also, contained recommendations for fees and charges to parties in bankruptcy proceedings required by the amendatory act to be determined by the Judicial Conference of Senior Circuit Judges.

Whereupon, the Director of the Administrative Office, in compliance with the provisions of the amendatory act, made his recommendations and, under date of March 17, 1947, submitted them to the District Judges, the Circuit Councils, and the Judicial Conference. In his letter of transmittal, the Director stated, in part, as follows:

The survey has been made under the direct charge of Mr. Edwin L. Covey, Chief of the Bankruptcy Division, and he has written the succeeding report. But he has conferred with me constantly as the work has progressed and I have followed it closely at all times. I have carefully considered the report and approve and adopt it.

The report represents the best judgment of the Administrative Office formed after prolonged and intensive study. We have especially endeavored to allocate the total funds recommended for salaries and expenses of referees uniformly among the different districts in relation to their particular needs. We believe that the resulting plan is as fair and equitable as can reasonably be devised.

We shall appreciate it if in accordance with the statute the district judges will submit their advice and recommendations in regard to the plan as soon as reasonably may be to the judicial councils of their respective circuits, in order that the latter in turn may be in a position to advise the Judicial Conference. We shall also be glad to consider any criticisms or suggestions and bring them to the attention of the committee of the Judicial Con-

ference on the bankruptcy administration and of the Judicial Conference. If the plan can be improved we want to see it done.

On the following day, the Chief Justice issued a call for this special session of the Conference and suggested to the members of the Judicial Conference, who are the Chairmen of the judicial councils in their respective circuits, that they take steps to have the recommendations of the district judges submitted to them early enough to permit full consideration and action by their circuit councils prior to the meeting of the Judicial Conference. It was also stated that it would be helpful if they would send copies of any recommendations of their respective judicial councils to Mr. Covey on or before April 14, 1947, in order that they might be brought to the attention of the Bankruptcy Committee of the Conference at a meeting to be held immediately preceding the meeting of the Conference.

The Committee of the Judicial Conference on Bankruptcy Administration met at Washington, D. C., on April 18th and 19th, 1947, with the approval of the Chief Justice of the United States, for the purpose of considering the Director's report and recommendations with relation to the initial surveys of bankruptcy administration required under the amendatory act.

All of the statistical information and other data upon which the determinations of the Director were based were made available to and considered by the Committee. Reports of the various circuit councils and district judges were also considered. It was the sense of the Committee that where no word had been received from the Circuit Councils or from District Courts, it could be taken as an indication that no objection would be made to the Director's recommendations. Whereupon, the Committee proceeded to make its determinations and recommendations which are incorporated in its formal report to the Conference dated April 21, 1947.

The report and recommendations of the Conference Committee were submitted through its Chairman, Judge Orié L. Phillips. A general summarization of the Committee's work, concerning the subject matter, since its inception in 1942 was had.

In addition to the report of the Director, which had previously been presented to the Conference, the Conference had brought before it all the data assembled and secured by the survey staff; and a composite compilation of the recommendations of the circuit councils, the district judges, the Director, and the Conference Committee. The Chief Justice presented the following communications relating to the Ninth Judicial Circuit:

Letter dated April 17, 1947, from William Denman, U. S. Circuit Judge, San Francisco, to the Chief Justice.

Statement of Judge Denman "relative to Referees in Bankruptcy, Northern District of California," dated April 17, 1941.

Letters to Senior Circuit Judge Francis A. Garrecht from the following District Judges:

Campbell E. Beaumont, Fresno, Calif.

Lloyd L. Black, Seattle, Wash.

John C. Bowen, Seattle, Wash.

Chase A. Clark, Boise, Idaho.

J. Frank McLaughlin, Honolulu, T. H.

Paul J. McCormick, Los Angeles, Calif.

Charles M. Pray, Great Falls, Mont.

Letters from Phil Cass and J. Donovan Flint, Referees, Honolulu, T. H., to District Judges J. Frank McLaughlin and D. E. Metzger, Honolulu, T. H.

The Conference then entered upon a general discussion concerning the manner and method in which the surveys were conducted; the source of the data collected and its relationship to present-day situations; and, the manner and method of weighing, assembling and cataloguing the data secured.

It was called to the attention of the Conference that in some instances the "regular place of office" was not fixed by either the Director or the Committee of the Conference, and that alternate sites were recommended. It was the sense of the Conference that the provisions of the statute required it to definitely fix the "regular place of office" and that this contemplates one particular location.

Thereupon, the conference proceeded to consider the problems incident to the proposals and the program district by district and circuit by circuit, and with respect to "the number of referees, full-time and part-time, to be appointed, the respective territories which they shall serve, including the regular place of office and the places at which courts shall be held, their respective salaries, and schedules of graduated additional fees to be charged in asset, arrangement and wage-earner cases," made the following determinations as required by Section 37b (1) of the Bankruptcy Act, as amended by Section 4 of the amendatory act:

FIRST CIRCUIT

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Number	Type				
Maine.....	1	Part time....	\$4, 500	Portland.....	Portland, Augusta, and Auburn.	Southern Division.
Massachusetts.....	1	do.....	1, 500	Bangor.....	Bangor.....	Northern Division. Entire district.
	1	Full time....	10, 000	Boston.....	Boston, Fall River, Springfield, Northampton, Worcester, and Salem.	
	1	Part time....	5, 000	Springfield. Salem.		
New Hampshire.....	1	do.....	2, 000	Concord.....	Concord and Manchester.	Do.
Rhode Island.....	1	do.....	5, 000	Providence.....	Providence.....	Do.
Puerto Rico.....	1	do.....	2, 500	San Juan.....	San Juan.....	Do.

SECOND CIRCUIT

Connecticut.....	1	Full time....	\$10, 000	Hartford.....	Hartford, New Haven, and Bridgeport.	Entire District.
New York: Northern.....	1	do.....	9, 000	Utica.....	Utica, Syracuse, Binghamton, and Watertown.	St. Lawrence, Jefferson, Lewis, Oswego, Onondaga, Cayuga, Tompkins, Cortland, Tioga, Broome, Chenango, Madison Oneida, and Herkimer Counties.
	1	do.....	7, 500	Albany.....	Albany, Schenectady, Malone, and Plattsburg.	Franklin, Clinton, Essex, Hamilton, Fulton, Montgomery, Warren, Saratoga, Washington, Schenectady, Otsego, Delaware, Schoharie, Albany, and Rensselaer Counties.

Eastern.....	1	do.....	10,000	Brooklyn.....	Brooklyn.....	Kings and Richmond Counties.
	1	do.....	10,000			
	1	do.....	10,000	Jamaica.....	Jamaica and Riverhead..	Queens, Nassau, and Suffolk Counties.
Southern.....	1	do.....	10,000	New York City..	New York City.....	New York and Bronx Counties.
	1	do.....	10,000			
	1	do.....	10,000			
	1	do.....	10,000			
	1	Part time....	3,500	Yonkers.....	Yonkers and Suffern.....		Westchester and Rockland counties.
	1	do.....	1,500	Poughkeepsie..	Poughkeepsie, Kingston, and Newburg.	Columbia, Dutchess, Putnam, Orange, Ulster, Greene, and Sullivan Counties.
Western.....	1	Full time....	10,000	Buffalo.....	Buffalo.....	Niagara, Orleans, Genesee, Wyoming, Cattaraugus, Chautauqua, and Erie Counties.
	1	do.....	7,500	Rochester.....	Rochester.....		Monroe, Wayne, Livingston, Steuben, Schuyler, Chemung, Ontario, Yates, and Seneca Counties.
Vermont.....	1	Part time....	1,200	Rutland.....	Rutland, Brattleboro, and Bennington.	Addison, Orange, Rutland, Windsor, Bennington, and Windham Counties.
	1	do.....	1,200	Burlington.....	Burlington and Barre....	Grand Isle, Chittenden, Franklin, Lamoille, Washington, Orleans, Caledonia, and Essex Counties.

THIRD CIRCUIT

District	Referees		Salary	Regular place of office	Places of holding court	Territory	
	Number	Type					
Delaware.....	1	Part time....	\$1, 500	Wilmington.....	Wilmington, Georgetown, and Dover.	Entire district.	
New Jersey.....	1	Full time....	10, 000	Newark.....	Newark, Jersey City, Trenton, and Elizabeth.	Sussex, Passaic, Bergen, Morris, Essex, Hudson, Union, Warren, Hunterdon, Somerset, Mercer, Middlesex, and Monmouth Counties.	
	1	do.....	10, 000				
Pennsylvania:	1	Part time....	3, 500	Camden.....	Camden and Atlantic City.	Ocean, Burlington, Camden, Gloucester, Salem, Cumberland, Atlantic, and Cape May Counties.	
	Eastern.....	1	Full time....	10, 000	Philadelphia.....	Philadelphia.....	Philadelphia, Delaware, Chester, Montgomery, and Bucks Counties.
		1	do.....	10, 000			
	Middle.....	1	Part time....	3, 000	Reading.....	Reading, Lancaster, Allentown, and Pottsville.	Lancaster, Berks, Schuylkill, Lehigh, and Northampton Counties.
1		do.....	5, 000	Wilkes-Barre.....	Wilkes-Barre and Scranton.	Potter, Tioga, Bradford, Susquehanna, Cameron, Clinton, Sullivan, Columbia, Wyoming, Luzerne, Lackawanna, Carbon, Monroe, Pike, Lycoming, and Wayne Counties.	

	1	-----do-----	3, 000	Harrisburg-----	Harrisburg and Williamsport.	Centre, Blair, Huntingdon, Fulton, Mifflin, Juniata, Union, Snyder, Perry, Cumberland, Adams, Montour, Northumberland, Dauphin, Lebanon, York, and Franklin Counties
Western-----	1	Full time----	10, 000	Pittsburgh-----	Pittsburgh-----	Allegheny, Beaver, and Washington Counties.
	1	Part time----	2, 000	Erie-----	Erie-----	Lawrence, Mercer, Crawford, Erie, Venango, Warren, Forest, Clarion, McKeen, Elk, and Jefferson Counties.
	1	-----do-----	3, 500	Ebensburg-----	Ebensburg and Greensburg.	Butler, Armstrong, Westmoreland, Greene, Fayette, Somerset, Bedford, Cambria, Indiana, and Clearfield Counties.

FOURTH CIRCUIT

Maryland-----	1	Part time----	\$4, 000	Baltimore-----	Baltimore and Cumberland.	Cecil, Harford, Baltimore Anne Arundel, Prince Georges, Calvert, St. Marys, Charles, Montgomery, Howard, Carroll, Frederick, Washington, Allegany, and Garrett Counties.
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FOURTH CIRCUIT—Continued

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Number	Type				
Maryland—Con.	1	Part time....	\$1, 000	Salisbury.....	Salisbury and Easton....	Kent, Queen Annes, Talbot, Caroline, Dorchester, Wicomico, Somerset, and Worcester Counties.
North Carolina: Eastern.....	1	do.....	2, 500	Raleigh.....	Raleigh, Wilmington, and Williamston.	Entire district.
Middle.....	1	do.....	2, 500	Greensboro.....	Greensboro, Salisbury, and Winston-Salem.	Do.
Western.....	1	do.....	2, 500	Charlotte.....	Charlotte and Asheville..	Do.
South Carolina: Eastern.....	1	do.....	900	Charleston.....	Charleston and Florence..	Beaufort, Jasper, Hampton, Colleton, Charleston, Dorchester, Berkeley, Williamsburg, Georgetown, Horry, Marion, Florence, Dillon, Darlington, Lee, Marlboro, and Chesterfield Counties.
	1	do.....	1, 500	Columbia.....	Columbia, Aiken, and Orangeburg.	Allendale, Barnwell, Bamberg, Orangeburg, Calhoun, Clarendon, Sumter, Kershaw, Richland, Lexington, and Aiken Counties.

Western-----	1	do-----	800	Greenville-----	Greenville, Anderson, and Spartanburg.	Entire district.
Virginia: Eastern-----	1	do-----	5, 000	Richmond-----	Richmond and Alexan- dria.	Loudoun, Arlington, Fairfax, Fauquier, Prince William, Culpeper, Stafford, Orange, Spotsylvania, King George, Westmoreland, Louisa, Caro- line, Richmond, Northum- berland, Essex, Hanover, Lancaster, Goochland, King William, King and Queen, Middlesex, New Kent, Hen- rico, Powhatan, Charles City, Chesterfield, Amelia, Prince George, Surry, Prince Edward, Nottoway, Dinwid- die, Sussex, Lunenburg, Brunswick, Mecklenburg, and Greenville Counties.
	1	do-----	3, 000	Norfolk-----	Norfolk, Cape Charles, and Suffolk.	Princess Anne, Norfolk, Nanse- mond, Southampton, Isle of Wight, Northampton, and Accomac Counties.
	1	do-----	1, 000	Newport News--	Newport News-----	Elizabeth City, Warwick, York, James City, Glouces- ter, and Mathews Counties.

FOURTH CIRCUIT—Continued

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Number	Type				
Virginia—Continued						
Western.....	1	Part time....	\$3, 500	Roanoke.....	Roanoke and Bristol.....	Botetourt, Roanoke, Franklin, Craig, Montgomery, Floyd, Giles, Pulaski, Carroll, Bland, Wythe, Grayson, Tazewell, Smyth, Buchanan, Russell, Washington, Dickinson, Wise, Scott, and Lee Counties.
	1	do.....	2, 000	Lynchburg.....	Lynchburg and Danville.	Bedford, Amhurst, Buckingham, Cumberland, Appomattox, Campbell, Patrick, Henry, Pittsylvania, Halifax, and Charlotte Counties.
	1	do.....	1, 500	Staunton.....	Staunton and Harrisonburg.	Augusta, Highland, Allegheny, Bath, Rockbridge, Albemarle, Greene, Madison, Fluvanna, Nelson, Frederick, Clark, Warren, Page, Rapahannock, Shenandoah, and Rockingham Counties.
West Virginia:						
Northern.....	1	do.....	3, 000	Grafton.....	Grafton, Martinsburg, Elkins, Fairmont, and	Pendleton, Barbour, Marion, Berkley, Grant, Hampshire,

West Virginia—Con. Northern—Con.				Clarksburg.	Hardy, Jefferson, Mineral, Morgan, Monongalia, Pres- ton, Randolph, Taylor, Tucker, Doddridge, Gilmer, Harrison, Upshur, and Lewis Counties.
	1	do	2,500	Wheeling	Hancock, Brooke, Ohio, Mar- shall, Wetzel, Tyler, Pleas- ants, Wood, Wirt, Ritchie, and Calhoun Counties.
Southern	1	do	5,000	Charleston	Entire district.

FIFTH CIRCUIT

Alabama:						
Northern	1	Full time	\$10,000	Birmingham	Birmingham, Tuscaloosa, and Jasper.	Southern, Western, and Jasper Divisions except Winston County.
	1	do	10,000			
	1	do	10,000			
	1	Part time	2,500	Anniston	Anniston and Gadsden	Eastern and Middle Divisions.
	1	do	2,000	Huntsville	Huntsville and Florence	Northeastern Division, North- western Division, and Win- ston County.
Middle	1	do	3,500	Montgomery	Montgomery, Dothan, and Opelika.	Entire district.
Southern	1	do	1,500	Mobile	Mobile and Selma	Do.
Florida:						
Northern	1	do	1,000	Tallahassee	Tallahassee, Pensacola, and Gainesville.	Do.

FIFTH CIRCUIT—Continued

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Number	Type				
Florida—Continued.						
Southern.....	1	Part time...	\$3, 500	Miami.....	Miami, Key West, Fort Lauderdale, West Palm Beach.	Indian River, Okeechobee, St. Lucie, Martin, Palm Beach, Broward, Dade, and Monroe Counties.
	1	do.....	3, 000	Jacksonville....	Jacksonville and Ocala....	Madison, Hamilton, Suwanee, Columbia, Baker, Union, Bradford, Nassau, Duval, Clay, St. Johns, Putnam, Flagler, Volusia, Marion, Citrus, and Sumter Counties.
	1	do.....	3, 000	Tampa.....	Tampa and Orlando.....	Orange, Lake, Osceola, Seminole, Brevard, Polk, Charlotte, DeSoto, Glades, Hardee, Hendry, Hernando, Highlands, Hillsborough, Lee, Manatee, Pasco, Pinellas, Sarasota and Collier Counties.
Georgia:						
Northern.....	1	do.....	5, 000	Atlanta.....	Atlanta.....	Cobb, Fulton, DeKalb, Fayette, Clayton, Rockdale, Newton, Henry, Spalding and Pike Counties.

	1	do	3,500	Rome	Rome, Newnan, and Carrollton.	Dade, Walker, Catoosa, Whitfield, Murray, Fannin, Gilmer, Chattooga, Gordon, Pickens, Floyd, Bartow, Cherokee, Polk, Paulding, Haralson, Douglas, Carroll, Heard, Coweta, Troup, and Meriwether Counties.
	1	do	600	Gainesville	Gainesville	Union, Towns, Rabun, Lumpkin, White, Habersham, Stephens, Dawson, Banks, Forsyth, Hall, Jackson, Gwinnett and Barrow Counties.
Middle	1	do	3,000	Macon	Macon, Athens, Columbus, Americus, Albany, Valdosta, and Thomasville.	Entire district.
Southern	1	do	2,000	Savannah	Savannah and Augusta	Wilkes, Lincoln, Talferro, Warren, McDuffie, Columbia, Richmond, Glascock, Jefferson, Burke, Johnson, Jenkins, Screven, Laurens, Treutlen, Emanuel, Wheeler, Montgomery, Toombs, Candler, Bullock, Effingham, Tattnall, Evans, Bryan, Chatham, Long, Liberty and McIntosh Counties.

FIFTH CIRCUIT—Continued

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Num-ber	Type				
Georgia—Continued Southern.....	1	Part time....	\$1, 000	Waycross.....	Waycross and Brunswick.	Dodge, Telfair, Jeff Davis, Coffee, Atkinson, Appling, Bacon, Wayne, Pierce, Ware, Brantley, Glynn, Charlton and Camden Counties.
Louisiana: Eastern.....	1	do.....	3, 500	New Orleans....	New Orleans and Baton Rouge.	Entire district.
Western.....	1	do.....	3, 500	Shreveport.....	Shreveport, Monroe, Alexandria, Opelousas, and Lake Charles.	Do.
Mississippi: Northern.....	1	do.....	1, 000	Tupelo.....	Tupelo, Oxford, and Clarksdale.	Do.
Southern.....	1	do.....	2, 000	Jackson.....	Jackson, Meridian, Vicksburg, and Gulfport.	Do.
Texas: Eastern.....	1	do.....	5, 000	Tyler.....	Tyler, Sherman, and Beaumont.	Do.
Northern.....	1	Full time....	7, 500	Fort Worth.....	Fort Worth, Wichita Falls, San Angelo, and Abilene.	Abilene, Wichita Falls, San Angelo, and Fort Worth Divisions.
	1	Part time....	4, 000	Dallas.....	Dallas.....	Dallas Division.

	1	do	1, 200	Lubbock	Lubbock and Amarillo	Lubbock and Amailro Divisions.
Southern	1	do	4, 000	Houston	Houston and Galveston	Galveston and Houston Divisions except Lavaca County.
	1	do	2, 000	Corpus Christi	Corpus Christi, Victoria, Laredo, and Brownsville.	Laredo, Brownsville, Corpus Christi, and Victoria Divisions, plus Lavaca County.
Western	1	do	1, 800	San Antonio	San Antonio, Austin, and Del Rio.	San Antonio, Austin, and Del Rio Divisions.
	1	do	1, 000	El Paso	El Paso and Pecos	El Paso and Pecos Divisions.
	1	do	1, 000	Waco	Waco	Waco Division.

SIXTH CIRCUIT

Kentucky: Eastern	1	Part time	\$4, 500	Lexington	Lexington, Covington, Catlettsburg, Jackson, and London.	Entire district.
Western	1	Full time	7, 000	Louisville	Louisville and Bowling Green.	Oldham, Jefferson, Spencer, Bullitt, Nelson, Washington, Marion, Larue, Taylor, Casey, Green, Adair, Russell, Clinton, Cumberland, Monroe, Metcalf, Allen, Barren, Warren, Hart, Edmonson, Grayson, Hardin, Meade, Breckenridge, Hancock, and Simpson Counties.

SIXTH CIRCUIT—Continued

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Number	Type				
Kentucky—Con. Western-----	1	Part time....	1, 800	Paducah-----	Paducah and Owensboro.	Logan, Butler, Daviess, Ohio, McLean, Muhlenberg, Todd, Christian, Trigg, Lyon, Caldwell, Livingston, Crittenden, Hopkins, Webster, Henderson, Union, Marshall, Calloway, McCracken Graves, Ballard, Carlisle, Hickman, and Fulton Counties.
Michigan: Eastern-----	1	Full time....	10, 000	Detroit-----	Detroit, Pontiac, Bay City, Lansing, and Flint.	Entire district.
	1	do-----	10, 000			
Western-----	1	do-----	7, 000	Grand Rapids...	Grand Rapids-----	Southern Division.
	1	Part time....	1, 000	Marquette-----	Marquette-----	Northern Division.
Ohio: Northern-----	1	Full time....	10, 000	Cleveland-----	Cleveland, Ashtabula, Akron, Canton, and Bucyrus.	Eastern Division except Trumbull, Mahoning, and Columbiana Counties.
	1	do-----	10, 000			
	1	do-----	10, 000	Toledo-----	Toledo-----	Western Division.
	1	Part time....	5, 000	Youngstown-----	Youngstown-----	Trumbull, Mahoning, and Columbiana Counties.

Southern.....	1	Full time.....	8,000	Columbus.....	Columbus, Zanesville, and Steubenville.	Eastern Division.
	1	Part time.....	5,000	Cincinnati.....	Cincinnati and Ports- mouth.	Butler, Hamilton, Warren, Clermont, Brown, Highland, Adams, Scioto, Lawrence, and Clinton Counties.
	1	.....do.....	4,000	Dayton.....	Dayton and Springfield..	Darke, Preble, Shelby, Miami, Montgomery, Champaign, Clark, and Green Counties.
Tennessee: Eastern.....	1	Full time.....	7,500	Knoxville.....	Knoxville, Greeneville, and Johnson City.	Northern and Northeastern Divisions.
	1	Part time.....	5,000	Chattanooga.....	Chattanooga and Win- chester.	Winchester and Southern Di- visions.
Middle.....	1	Full time.....	6,500	Nashville.....	Nashville and Columbia..	Nashville and Columbia Di- visions.
Western.....	1	Part time.....	500	Cookeville.....	Cookeville.....	Northeastern Division.
	1	Full time.....	7,000	Memphis.....	Memphis and Jackson....	Entire district.

SEVENTH CIRCUIT

Illinois: Northern.....	1	Full time.....	\$10,000	Chicago.....	Chicago and Waukegan...	Cook and Lake Counties.
	1	.....do.....	10,000			
	1	.....do.....	10,000			
	1	Part time.....	3,000	Geneva.....	Geneva, Ottawa, and Jo- liet.	Eastern Division except Cook and Lake Counties.
	1	.....do.....	3,000	Rockford.....	Rockford, Freeport, and Sterling.	Western Division.

SEVENTH CIRCUIT—Continued

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Number	Type				
Illinois—Continued						
Eastern.....	1	Part time.....	\$5,000	Danville.....	Danville, East St. Louis, and Cairo.	Entire district.
Southern.....	1	.....do.....	5,000	Peoria.....	Peoria, Galesburg, and Rock Island.	Northern Division.
	1	.....do.....	3,000	Springfield.....	Springfield, Quincy, De- catur, and Bloomington.	Southern Division except Jer- sey, Madison, and Bond Counties.
	1	.....do.....	2,000	Edwardsville.....	Edwardsville.....	Jersey, Madison, and Bond Counties.
Indiana:						
Northern.....	1	.....do.....	3,500	Hammond.....	Hammond and South Bend.	Hammond Division and South Bend Division except coun- ties of Cass, Miami, Wabash, and Kosciusko.
	1	.....do.....	1,500	Fort Wayne.....	Fort Wayne and Logans- port.	Fort Wayne Division plus Cass, Miami, Wabash, and Kosciusko Counties.
Southern.....	1	.....do.....	5,000	Indianapolis.....	Indianapolis, Terre Haute, Eavnsville, and New Albany.	Entire district.
Wisconsin:						
Eastern.....	1	.....do.....	5,000	Milwaukee.....	Milwaukee and Kenosha.	Washington, Ozaukee, Wauke- sha, Milwaukee, Walworth,

	1	do	3,500	Manitowoc	Manitowoc, Green Bay, and Oshkosh.	Racine, and Kenosha Counties. Calumet, Manitowoc, Sheboygan, Dodge, Fond Du Lac, Green Lake, Langlade, Marquette, Outagamie, Waupaca, Waushara, Winnebago, Brown, Door, Florence, Kewaunee, Marinette, Oconto, Shawano, and Forest Counties.
Western	1	do	3,000	Madison	Madison and Beloit	Adams, Columbia, Sauk, Richland, Crawford, Grant, Iowa, Dane, Jefferson, Rock, Green, and Lafayette Counties.
	1	do	2,000	La Crosse	La Crosse and Wausau	Vernon, La Crosse, Monroe, Juneau, Pierce, Pepin, Buffalo, Trempealeau, Jackson, Wood, Portage, Dunn, Eau Claire, Clark, Marathon, Chippewa, Taylor, and Lincoln Counties.
	1	do	1,200	Superior	Superior	St. Croix, Polk, Barron, Rusk, Burnett, Washburn, Sawyer, Price, Oneida, Douglas, Bayfield, Ashland, Iron, and Vilas Counties.

EIGHTH CIRCUIT

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Number	Type				
Arkansas:						
Eastern.....	1	Part time....	\$3, 000	Little Rock.....	Little Rock, Batesville, Helena, and Jonesboro.	Entire district.
Western.....	1	do.....	2, 000	Fort Smith.....	Fort Smith, Fayetteville, Hot Springs, Texarkana, El Dorado, and Harrison.	Do.
Iowa:						
Northern.....	1	do.....	1, 500	Fort Dodge.....	Fort Dodge, Sioux City, Dubuque, and Waterloo.	Do.
Southern.....	1	do.....	4, 000	Des Moines.....	Des Moines, Davenport, and Council Bluffs.	Do.
Minnesota.....	1	do.....	5, 000	Minneapolis.....	Minneapolis and Duluth..	Fourth and Fifth Divisions.
	1	Full time....	7, 000	St. Paul.....	St. Paul and Fergus Falls..	Third and Sixth Divisions.
	1	Part time....	1, 500	Winona.....	Winona and Mankato.....	First and Second Divisions.
Missouri:						
Eastern.....	1	Full time....	8, 000	St. Louis.....	St. Louis, Hannibal, and Cape Girardeau.	Entire district.
Western.....	1	do.....	8, 000	Kansas City.....	Kansas City, St. Joseph, Sedalia, Joplin, and Springfield.	Do.

Nebraska-----	1	Part time-----	2,000	Lincoln-----	Lincoln, Chadron, Grand Island, and McCook.	Lincoln, Chadron, Grand Island, McCook, and Hastings Divisions.
	1	do-----	2,000	Omaha-----	Omaha, Norfolk, and North Platte.	Omaha, Norfolk, and North Platte Divisions.
North Dakota-----	1	do-----	2,000	Fargo-----	Fargo, Bismarck, and Minot.	Entire district.
South Dakota-----	1	do-----	2,000	Sioux Falls-----	Sioux Falls, Pierre, Aberdeen, and Deadwood.	Do.

NINTH CIRCUIT

Arizona-----	1	Part time-----	\$2,500	Phoenix-----	Phoenix, Tucson, and Prescott.	Entire district.
California:						
Northern-----	1	Full time-----	10,000	San Francisco-----	San Francisco, Oakland, Santa Rosa, and Salinas.	Del Norte, Humboldt, Mendocino, Lake, Sonoma, Napa, Marin, Solano, Contra Costa Alameda, Santa Clara, San Benito, and Monterey Counties.
	1	do-----	10,000	Oakland.		

NINTH CIRCUIT—Continued

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Number	Type				
California—Con. Northern -----	1	Part time....	\$5, 000	Sacramento.....	Sacramento, Marysville, and Stockton.	Siskiyou, Modoc, Trinity, Shasta, Lassen, Tehama, Plumas, Glenn, Butte, Si- erra, Colusa, Yuba, Nevada, Sutter, Placer, Yolo, El Dorado, Sacramento, Ama- dor, Alpine, San Joaquin, Calaveras, Tuolumne, Mono, and Stanislaus.
Southern-----	1	Full time....	10, 000	Los Angeles.....	Los Angeles, Santa Ana, Santa Barbara.	Central Division except San Bernardino and Riverside Counties.
	1	do.....	10, 000			
	1	do.....	10, 000			
	1	Part time....	2, 500	San Diego.....	San Diego and El Centro.	Southern Division.
	1	do.....	2, 500	Fresno.....	Fresno, Bakersfield, and Merced.	Northern Division.
Idaho-----	1	do.....	1, 000	San Bernardino.	San Bernardino and Riverside.	San Bernardino and Riverside Counties.
	1	do.....	1, 800	Boise.....	Boise, Coeur d' Alene, and Pocatello.	Entire district.
Montana-----	1	do.....	1, 800	Great Falls.....	Great Falls.....	Blaine, Cascade, Chouteau, Daniels, Fergus, Glacier, Hill, Judith Basin, Liberty, McCone, Petroleum, Phil-

	1	do.....	1, 800	Butte.....	Butte, Billings, and Missoula.	lips, Pondera, Richland, Roosevelt, Sheridan, Teton, Toole, Valley and Wheatland Counties.
						Beaverhead, Broadwater, Deer Lodge, Gallatin, Jefferson, Lewis and Clark, Madison, Meagher, Park, Powell, Silver Bow, Flathead, Granite, Lake, Lincoln, Mineral, Missoula, Ravalli, Sanders, Big Horn, Carbon, Carter, Custer, Dawson, Fallon, Garfield, Golden Valley, Musselshell, Prairie, Powder River, Rosebud, Stillwater, Sweet Grass, Treasure, Wibaux, and Yellowstone Counties.
Nevada.....	1	do.....	1, 000	Reno.....	Reno and Las Vegas.....	Entire district.
Oregon.....	1	Full time.....	10, 000	Portland.....	Portland and Hillsboro.....	Clatsop, Columbia, Washington, Tillamook, Yamhill, Multnomah, Clackamas, Hood River, Wasco, Sherman, Jefferson, Wheeler, Deschutes, and Crook Counties.

NINTH CIRCUIT—Continued

District	Referees		Salary	Regular place of office	Places of holding court	Territory
	Number	Type				
Oregon—(Con.)-----	1	Part time....	\$3, 500	Corvallis.....	Corvallis, Roseburg, Klamath Falls, and Medford.	Polk, Marion, Lincoln, Benton, Linn, Lane, Douglas, Coos, Curry, Josephine, Jackson, Klamath, and Lake Counties.
	1	.....do.....	900	LaGrande.....	LaGrande.....	Gilliam, Morrow, Umatilla, Union, Wallowa, Grant, Baker, Harney, and Malheur Counties.
Washington:						
Eastern-----	1	.....do.....	3, 000	Spokane.....	Spokane, Walla Walla, and Yakima.	Entire district.
Western-----	1	Full time....	9, 000	Seattle.....	Seattle, Everett, and Bellingham.	Northern Division.
Alaska-----	1	Part time....	5, 000	Tacoma.....	Tacoma and Vancouver..	Southern Division.
	1	.....do.....	2, 400	Anchorage.....	Anchorage, Fairbanks, Juneau, and Nome.	Entire Territory of Alaska.
Hawaii-----	1	.....do.....	2, 500	Honolulu.....	Honolulu and Wailuku...	Entire district.

TENTH CIRCUIT

Colorado.....	1	Full time....	\$8, 000	Denver.....	Denver, Grand Junction, Pueblo, and Colorado Springs.	Entire district.
Kansas.....	1	do.....	7, 500	Topeka.....	Topeka, Wichita, Kansas City, Fort Scott, and Salina.	Do.
New Mexico.....	1	Part time....	1, 500	Albuquerque....	Albuquerque, Santa Fe, and Silver City.	Do.
Oklahoma:						
Northern.....	1	do.....	3, 000	Tulsa.....	Tulsa.....	Do.
Eastern.....	1	do.....	1, 200	Okmulgee.....	Okmulgee, McAlester, and Muskogee.	Do.
Western.....	1	do.....	4, 000	Oklahoma City..	Oklahoma City and Woodward.	Do.
Utah.....	1	do.....	3, 500	Salt Lake City..	Salt Lake City and Ogden.	Do.
Wyoming.....	1	do.....	1, 800	Cheyenne.....	Cheyenne.....	Do.

DISTRICT OF COLUMBIA

District of Columbia .	1	Part time....	\$4, 000	Washington, D. C.	Washington, D. C.....	District of Columbia.
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SCHEDULE OF ADDITIONAL FEES AND CHARGES

Fees to be charged in Asset, Arrangement, and Wage-Earner Cases for the Referees' Salary Fund

Two percent on net realization in straight bankruptcy cases; 1 percent on total obligations paid or extended in Chapter XI cases; 1 percent upon payments made by or for the debtor in Chapter XIII cases.

Charges to be made in Asset, Arrangement, and Wage-Earner Cases for the Referees' Expense Fund

Referees' expenses in Chapter XIII cases at \$10.00 per case where the liabilities do not exceed \$200.00, and at \$15.00 per case in all other Chapter XIII cases. One percent on net realization in straight bankruptcy cases; one-half of 1 percent on total obligations paid or extended in Chapter XI cases; one-half of 1 percent upon payments made by or for the debtor in Chapter XIII cases.

The Conference ordered the promulgation on May 2, 1947, of its aforesaid determinations made under Section 37 (b) of the Bankruptcy Act as amended by the amendatory act of June 28, 1946, so as to make the provisions of the act dependent upon such promulgation effective July 1, 1947; and, further ordered that the issuance of this report of the Conference constitute such promulgation.

Pursuant to Section 40 c (3) of the Bankruptcy Act, as amended, the Director recommended and upon a favorable report by the Bankruptcy Committee, the Conference approved the following charges for special services relating to or in connection with proceedings before referees:

1. For the preparation and mailing of each set of notices in asset cases and in cases filed under the relief chapters of the Bankruptcy Act in excess of 30 notices per set, 10 cents for each additional notice.

2. For each set of objections filed to a discharge or confirmation of an arrangement, or plan, \$10 to be paid by the objecting creditor provided that no such charge shall be made for filing objections to a discharge by the United States Attorney. Where objections to a discharge are filed by the trustee, the

charge shall be paid from the estate of the bankrupt unless waived by the court.

3. For filing petitions for review and for filing petitions for reclamation of property, \$10 for each petition filed, to be paid at the time of filing by the petitioner.

4. For making a copy (except a photographic reproduction), of any record or paper, and comparison thereof, 40 cents per page of 250 words or fraction thereof; for comparing for certification a copy (except a photographic reproduction), of any transcript of record, entry, record or paper, 10 cents for each page of 250 words or fraction thereof.

For comparing with the original thereof any reproduction or copy of any record or paper not made by the referee, 10 cents per page. For a certificate, 50 cents.

5. For clerical aid on all claims filed in excess of 10, for filing, recording, computing and distributing dividend, 25 cents each in asset cases and cases filed under the relief chapters of the act.

6. For reporting performed by a regularly employed member of the referee's staff a charge may be made for transcripts not exceeding the rates charged by the regular court reporter. The charge shall be paid from the estate of the bankrupt or by the parties requesting that the stenographic record be made and the proceeds shall be transmitted to the clerk for deposit to the credit of the Referees' Expense Fund.

Pursuant to Section 40c (2) of the Bankruptcy Act as amended, the following rules and regulations prescribing the methods for determining the net proceeds realized in asset cases, fair values of considerations, other than money distributable in arrangement cases, and payments actually made by or for a debtor under the plan in wage-earner cases, were recommended by the Director and, upon a favorable report by the Bankruptcy Committee, were approved by the Conference:

1. Determination of net proceeds realized.

In determining the amount of net proceeds realized in asset cases for the purpose of Section 40c (2) of the Bankruptcy Act as amended, the term "net proceeds realized in asset cases" shall mean, in the case of sale or liquidation, the amount of money coming into the estate of a bankrupt as assets of such estate or, if not sold or liquidated the fair cash market value

of all property coming into the estate as assets of such estate, exclusive of all statutory exemptions whether State or Federal and exclusive of all expenses directly incurred in the operation of the debtor's business after bankruptcy; Provided, however, that where property is sold or transferred subject to a valid existing mortgage, lien or other encumbrance, the amount of such mortgage, lien or other encumbrance not affected by such sale shall not be included in determining the amount of net proceeds realized.

2. Determination of fair values of considerations, other than money, distributable in arrangement cases.

In determining the fair values of considerations, other than money, distributable in arrangement cases, for the purposes of Section 40c (2) of the Bankruptcy Act as amended, the term "fair values of considerations" shall mean either (a) the value fixed in the arrangement or (b) if not so fixed, the value determined by the court in the order confirming the arrangement.

3. Determination of payments actually made by or for a debtor under the plan in wage-earner cases.

In determining the amount of payments actually made by or for the debtor under a plan in wage-earner cases, for the purposes of Section 40c (2) of the Bankruptcy Act as amended, only the amounts actually paid by or for the debtor for the benefit of creditors under the plan shall be taken into account.

4. Upon the determination of the amounts to be charged against individual estates pursuant to the provisions of the Bankruptcy Act and these rules, the court shall enter an order setting forth the amount and character of such charges and ordering the trustee or debtor in possession to pay such amounts forthwith to the clerk of the court for transmission to the Treasury of the United States for credit to the referees' salary and referees' expense funds, respectively.

The Director recommended that the salary and promotional plan and the annual and sick leave policy presently operative for employees of the courts be extended to full-time employees in referees' offices. This recommendation was approved by the Bankruptcy Committee and adopted by the Judicial Conference.

The provisions of H. R. 1810 (80th Cong.) designed to remove the disqualification of part-time referees to practice before certain government agencies were brought to the attention of the Conference. The matter was passed over without action.

Court Reporters.—The report and recommendations of the Committee on the Court Reporting System were submitted to, and considered by, the Conference.

Since the October 1946 session of the Conference, the committee has considered data regarding the reporting arrangements and the earnings of reporters in each district assembled for it by the Administrative Office. Representatives of a committee on legislation and regulations of the Conference of United States Court Reporters appeared before the committee and presented the general views of the Federal court reporters in regard to various features of the court reporting system.

The committee, pursuant to instructions of the Conference, gave its primary attention to the compensation of reporters under the present system. Comparable earnings for the fiscal year 1946, and the first half of the fiscal year 1947 were carefully studied, and requests for increases in salary and transcript rates in particular districts were considered in the light of these earnings.

The Conference agreed with the committee's conclusions that the present scale of salaries, ranging from \$3,000 a year, the minimum under the Court Reporter Act, for positions in general in rural districts where the reporting work is light, to \$5,000 for positions generally in the metropolitan districts where practically the full time of the reporters must be devoted to their official duties, should be maintained.

It also agreed with the committee that changes in the present classification of positions to increase the salaries in any particular district should be made only upon a positive showing of a change in the circumstances which led to the initial classification of the positions, such as increases in work-load, or a disclosure of some compelling circumstance overlooked when the position was originally classified resulting in an inequitable situation in comparison with others.

In conformity with this policy, and on the basis of the

information before it, the Conference approved the committee's recommendations of the following specific changes in salaries for court reporters:

For the District of Massachusetts: The salaries of the two authorized reporters now paid at the rate of \$4,500 to be increased to \$5,000 so that each of the four authorized reporters will receive that salary.

For the District of Maryland: The salaries of the two authorized reporters to be increased from \$4,000 to \$5,000.

For the Eastern District of Louisiana: The salaries of the two authorized reporters to be increased from \$3,600 to \$4,000.

The Conference directed that these increases be made effective if and when the monies necessary to defray the expense incident thereto are appropriated by the Congress, and the Director was instructed to submit, in the usual way and at the first favorable opportunity, an estimate for the requisite increased appropriation to the Congress.

The committee's recommendation that the requests for increases in reporters' salaries in the following districts be denied, was approved by the Conference:

- The Middle District of North Carolina,
- The Western District of Virginia,
- The Northern District of West Virginia,
- The Northern District of Alabama,
- The Northern District of Texas,
- The District of the Canal Zone,
- The Southern District of Ohio,
- The Middle District of Tennessee,
- The Western District of Tennessee,
- The Eastern District of Oklahoma.

Upon recommendation of the committee, the Conference deferred for further investigation requests for increases in the salaries of the reporters for the Southern District of Iowa and the Third Division of the District of Alaska.

The Conference adopted the committee's recommendations that the present transcript rates should be maintained, and that no increase in excess of 40 cents for the original and 15 cents for copies should be approved in the absence of a showing of unusual circumstances which indicate that the present rate

is resulting in real hardship to the reporter; and that requests for higher rates than those now in effect should not be considered, under the provisions of the Court Reporter Act, unless it has been determined in advance that the proposed rate is desired by the judge of the district concerned.

The Conference, thereupon, approved and authorized the following increases in transcript rates, to become effective on June 1, 1947:

	Present rate		Approved rate	
	Original	Copies	Original	Copies
Fourth Circuit:				
South Carolina:	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
Eastern.....	30	15	40	15
Western.....	30	15	40	15
Virginia, Western.....	35	15	40	15
Sixth Circuit:				
Kentucky, Western.....	37½	12½	40	15
Eighth Circuit:				
Missouri:				
Eastern.....	37½	15	40	15
Western.....	37½	15	40	15
Nebraska.....	35	15	40	15
Ninth Circuit:				
Hawaii.....	37½	18	50	15

¹ First copy, 15 cents additional copies.

The increase in rates in Hawaii was authorized in response to the request of the District Court for a change in the present reporting arrangement, approved at the October 1946 Conference, whereby, as a condition of the increase in salary, it was specified that the vacancy in the second authorized regular reporter's position should remain unfilled. In this connection, the Conference also approved the Committee's recommendation that the court be authorized to employ temporary reporters at the per diem rate for attendance currently paid in Hawaii, to receive the rates above specified for transcript, to such an extent as may be required to supply necessary reporting services for the court when both of its judges are conducting proceedings simultaneously.

The committee's recommendations that the requests for approval of increases in transcript rates in the following districts be denied was approved by the Conference:

The District of Columbia,
 The District of Delaware,
 The Eastern District of Pennsylvania,
 The District of Maryland,
 The Eastern District of Virginia,
 The Southern District of Ohio,
 The Middle District of Tennessee,
 The Western District of Tennessee,
 The District of Nevada.

Court Reporters—Form of Reports.—The committee submitted for Conference consideration, a revised form of report, as proposed by the Director, for use by the reporters in reporting to the Administrative Office information relating to their attendance, transcripts, and income and expenses. The committee recommended adoption by the Conference. The Conference, pursuant to provisions of the Court Reporting Act (U. S. C. Title 28, § 9a (d)) approved these revisions and directed that the new form be used by the reporters in conformity with the instructions issued by the Director, in preparing and filing their reports for reporting periods ending after June 30, 1947.

Habeas Corpus Procedure.—Upon consideration of the report of the Conference Committee on Habeas Corpus, the Conference directed that the jurisdictional bill now recommended by the Committee with a previous draft which had been introduced in the Seventy-ninth Congress as H. R. 6723, and the procedural bill (H. R. 4232 in the 79th Cong.) with certain amendments, be circulated, with a report of the Committee, throughout the judiciary in conformance with Conference policy, and that a further report thereon by the committee be submitted to the Conference at its next session.

State of the Dockets of the Federal Courts—Cases Under Advisement.—The report of the Division of Procedural Studies and Statistics of the Administrative Office concerning cases under advisement for more than 30 days, as of December 31,

1946, which had been circulated by the Director on April 9, 1947, was brought to the attention of the Conference by the Chief Justice.

The necessity for more prompt disposition, wherever possible, was fully recognized. A check upon the status of cases pending under advisement for unusually long periods in their respective circuits will be made by the various Conference members to ascertain the prospects for prompt disposal, and every effort will be made to substantially improve the situation.

Places of Holding Court—Maintenance of Clerk's Offices.—The Conference, without objection, adopted the following resolution:

Resolved, That the various Circuit Councils and Conferences be requested to make a survey of the places of holding court and maintaining Clerk's offices in their respective circuits and make recommendations to this Conference at its September meeting as to which of these can be abolished, with a view of furnishing this Conference a basis of making recommendations as to reduction in the number of places of holding court and maintaining Clerk's offices.

Additional Judges.—The Conference approved, without objection, the provisions of H. R. 1986 (80th Cong.) providing for the appointment of two additional judges on a temporary basis for the Western District of Pennsylvania and recommended its early enactment.

The Conference approved, without objection, the provisions of H. R. 2243 (80th Cong.) which would repeal the present prohibition against the filling of a vacancy in the office of district judge for the Northern and Southern Districts of Florida, and recommended its early enactment.

United States Commissioners—Forms of Dockets.—The Director submitted for consideration of the Conference forms of docket records of United States Commissioners for use in three types of cases: (1) record of proceedings in criminal cases, (2) record of proceedings in the trial of petty offenses committed on Federal reservations, before commissioners authorized to conduct such trials, and (3) record of proceedings in miscellaneous proceedings.

Pursuant to provisions of Rule 55 of the Rules of Criminal Procedure, the Conference approved the forms and prescribed their use by the United States Commissioners in the manner and for the purposes outlined by the Director.

Whereupon, there being no further business to come before the Conference, the Conference declared a recess, subject to the call of the Chief Justice.

For the Judicial Conference:

FRED M. VINSON,
Chief Justice.

Dated: Washington, D. C., May 2, 1947.

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