



PERSONAL BANKRUPTCIES ARE AT THEIR HIGHEST LEVELS IN YEARS UNDER PRESIDENT TRUMP

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President Trump promised to bring down prices on “Day One” of his presidency. Instead, more than a year into his second term, the [cost of living crisis](#) has worsened as a result of his reckless economic policies, including tariffs that function as a national sales tax.

American families spent an additional [\\$1,625](#) for basic living expenses in 2025, with groceries alone going up \$310. The cost of health care, housing, and child care all continue to rise, putting pressure on household budgets and crushing any cushion families had to make ends meet. Household debt is [increasing](#), and credit card and auto loan delinquencies are growing as families struggle to pay their bills. To make matters worse, the job market [continues to deteriorate](#), and Americans are struggling to find higher-paying jobs.

These increasing costs make it harder for families to meet their obligations, and the effects are being felt across the broader economy. In a new analysis of data from the U.S. Bankruptcy Courts, the House Budget Committee finds that the number of people filing for personal bankruptcy increased by 11 percent during the President’s first year in office. **Bankruptcies have not been this high since 2019, during President Trump’s first term.**

The Committee analyzed personal bankruptcy filings data from the U.S. Bankruptcy Court for [2024](#) and [2025](#). **As shown in the table below, the Committee finds that 47 states and D.C. saw an increase in personal bankruptcies between 2024 and 2025. Nationally, the U.S. saw 55,000 more personal bankruptcy filings in 2025 compared to 2024, hitting a total of nearly 544,000.**

Meanwhile, President Trump and Republicans in Congress have no plans to bring costs down for families. In fact, they continue to [make costs go up](#). For example, they have refused to extend the Affordable Care Act enhanced premium tax credits, a particularly worrisome outcome in light of the fact that health costs are a [significant](#) cause of personal bankruptcy in the United States.

Instead of addressing the cost-of-living crisis, President Trump and Congressional Republicans made things worse by passing their Big, Ugly Law, which enacted the largest cuts to health care and nutrition assistance in American history — all to deliver even bigger tax breaks to billionaires. In fact, according to [analysis](#) by the nonpartisan Congressional Budget Office, the Big, Ugly Law represents one of the largest transfers of wealth from low-income Americans to

the wealthiest households in U.S. history. The bottom third of Americans will be poorer as a direct result of this bill.

In President Trump's economy, billionaires and big corporations win. Everyone else loses.

State	Individuals or Families Filing for Bankruptcy, 2024	Individuals or Families Filing for Bankruptcy, 2025	Increase from 2024 to 2025	% Increase from 2024 to 2025
Alabama	19,120	20,395	1,275	6.7%
Alaska	182	213	31	17.0%
Arizona	10,909	12,479	1,570	14.4%
Arkansas	6,477	6,741	264	4.1%
California	44,634	51,345	6,711	15.0%
Colorado	7,302	8,152	850	11.6%
Connecticut	3,224	3,564	340	10.5%
Delaware	1,295	1,516	221	17.1%
District Of Columbia	347	479	132	38.0%
Florida	35,179	42,311	7,132	20.3%
Georgia	28,069	31,110	3,041	10.8%
Hawaii	1,143	1,133	-10	-0.9%
Idaho	2,047	2,379	332	16.2%
Illinois	25,154	25,567	413	1.6%
Indiana	16,092	17,961	1,869	11.6%
Iowa	3,042	3,549	507	16.7%
Kansas	3,728	4,032	304	8.2%
Kentucky	10,985	12,030	1,045	9.5%
Louisiana	9,182	9,827	645	7.0%
Maine	571	538	-33	-5.8%
Maryland	10,810	12,122	1,312	12.1%
Massachusetts	4,408	4,770	362	8.2%
Michigan	20,084	21,969	1,885	9.4%
Minnesota	8,366	9,961	1,595	19.1%
Mississippi	8,983	9,562	579	6.4%
Missouri	9,577	10,385	808	8.4%
Montana	698	783	85	12.2%
Nebraska	2,439	2,722	283	11.6%
Nevada	8,029	9,042	1,013	12.6%
New Hampshire	887	842	-45	-5.1%
New Jersey	12,412	13,374	962	7.8%

New Mexico	1,350	1,587	237	17.6%
New York	19,408	21,062	1,654	8.5%
North Carolina	8,418	9,376	958	11.4%
North Dakota	509	592	83	16.3%
Ohio	24,444	25,824	1,380	5.6%
Oklahoma	6,393	7,127	734	11.5%
Oregon	6,390	7,964	1,574	24.6%
Pennsylvania	12,059	13,381	1,322	11.0%
Rhode Island	928	1,023	95	10.2%
South Carolina	4,581	5,133	552	12.0%
South Dakota	616	650	34	5.5%
Tennessee	19,012	20,464	1,452	7.6%
Texas	28,288	33,884	5,596	19.8%
Utah	6,678	7,757	1,079	16.2%
Vermont	240	252	12	5.0%
Virginia	14,262	15,742	1,480	10.4%
Washington	8,162	8,995	833	10.2%
West Virginia	1,306	1,419	113	8.7%
Wisconsin	9,544	9,954	410	4.3%
Wyoming	490	535	45	9.2%
United States	488,453	543,574	55,121	11.3%

Source: Data from the United States Bankruptcy Courts, business and nonbusiness cases filed during the 12-month period ending December 31, 2024 and the 12-month period ending December 31, 2025.



Local Impacts: See the impacts of the Trump-Republican cost of living crisis using the House Budget Committee's website, which contains information about rising costs in communities across the country:

democrats-budget.house.gov/costofliving

This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.



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