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## **Eastern Iowans Find Stronger Financial Futures One Year After Bankruptcy Law**

**(Waterloo)** Exactly one year ago, no one knew what to expect when it came to going through a new process of filing for bankruptcy. The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 took effect on October 17<sup>th</sup>. On that day, Consumer Credit Counseling Service of Northeastern Iowa received its first request to do bankruptcy counseling under the new law. Since that time, the eastern Iowa agency with offices in Waterloo, Dubuque, Marshalltown, Mason City, Forest City, Grinnell, Ames, and Decorah, has counseled 1,467 client families through bankruptcy. CCCS of Northeastern Iowa has also helped 746 people go through the education portion of the bankruptcy process. The new law called for bankruptcy clients to receive the counseling and the education components before a judge could discharge a bankruptcy case.

“I would have never expected to be as busy as we were this past year,” said Karen Atwood, the CEO of CCCS of Northeastern Iowa. “I knew we were covering new territory, but we have been seeing an incredible number of people in the counseling and education process.” For the first time, the new law required those filing for bankruptcy to get counseling. Credit counseling agencies had to apply for and receive approval to provide counseling and bankruptcy education from the United States Department of Justice. CCCS of Northeastern Iowa was the first Iowa-based agency to receive that approval for all parts of the state. CCCS of Northeastern Iowa is also the *only* Waterloo credit counseling service approved under the bankruptcy law.

“Our certified counselors use a well-known curriculum for the bankruptcy education portion of our services,” said Atwood. The book for the curriculum is called “Money in Motion”. “We’ve received great reviews on that book and how practical it is,” Atwood added.

That’s exactly why the Federal government required bankruptcy education – to provide knowledge to help people avoid bankruptcy in the future. “I believe the law will prove to be a force in reducing the number of bankruptcies overall,” Atwood said. “Our clients tell us all the time they will know what to avoid in financial pitfalls in the future. They know how to handle credit and in some cases, know much better how to handle basic financial tasks such as balancing a checkbook.”

For more information on bankruptcy and credit counseling, go to [www.cccsia.org](http://www.cccsia.org).

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**Media Contact  
Tami Wiencek  
Beecher & Wiencek  
Public Relations  
319-233-0777 (office)**