

**THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA**

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June 11, 2007

**NEWS RELEASE
BANKRUPTCY FILING CONTINUE SLOW UPWARD CLIMB**

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June 11, 2007 – Bankruptcy Filings (for all chapters) in the District of Arizona increased 59.9 percent through the end of May 2007 according to data posted by the United States Bankruptcy Court for the District of Arizona. This percentage increase is based on a comparison to bankruptcy filings over the same time frame for the prior year (2006). Last year, bankruptcies plummeted to all time lows in Arizona as an aftermath of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BAPCPA), which has been in effect since October 17, 2005.

Since then, overall filing levels, tracked monthly by the Court and posted on the Court's website, www.azb.uscourts.gov, have remained well below the number bankruptcies filed prior to BAPCPA. For example, in 2004, the year before the enactment of BAPCPA, bankruptcies in Arizona totaled 30,502 cases or a monthly average of slightly less than 2,542 bankruptcies. The current monthly average is 744 cases. The monthly average of bankruptcies for 2006 was 540 cases, so the current average is running at 38 percent ahead of last year's filings.

While new BAPCPA provisions require a prospective bankruptcy filer to complete pre-filing credit counseling and to determine whether they qualify to file a chapter 7 case by completing a [chapter 7 means test](#); for individual filers, chapter 7 is still the most frequently selected chapter, followed by chapter 13.