

Owe money to payday lenders? Tell them that you want a payment plan.

New bills have just been passed to help stop the cycle of high-cost, long-term debt by giving you more options and time to repay your payday loans.

A new law, effective on January 1, 2010 protects you by:

- Ensuring that you have enough time to pay back loans:
 - At any time, you can request a longer repayment plan: 90 days for loans under \$400; 180 days for loans over \$400.
 - The minimum term of a loan is your next paycheck unless that is less than 7 days. If it is less than 7 days, the minimum term is your next following pay date.
- Making sure you do not exceed the amount that you can reasonably pay back:
 - Loans can only be 30% of your income or \$700, whichever is less.
- Reducing the need for additional loans to pay back the original loan:
 - Lenders cannot legally loan individuals more than 8 loans in a given year. If you are unable to repay a loan, you can enter into a repayment plan instead of taking out a new loan.



Effective July 26, 2009, new rules stop lenders from harassing customers

Lenders must limit the number of times they contact you to collect payment to no more than 3 times in a single week and they cannot threaten, intimidate or embarrass you.

Who is eligible?

Everyone who takes out a payday loan is eligible for the terms listed above. If a lender is not following these terms, or if you feel that you are being harassed by your lender, contact the Alliance to Prevent Predatory Lending- appl@noloansharks.org or 206-300-0222.

SPEAK UP!

Thank your legislators for taking steps toward making payday lenders act responsibly. Tell them your story about how these new laws are helping you and your community.



Alliance to Prevent Predatory Lending
appl@noloansharks.org, 206-300-0222, www.noloansharks.org