

Alternatives to borrowing an online loan

- 1. Contact creditors to work out a payment plan.** They often will offer extensions on bills. Make sure to ask about additional fees or costs.
- 2. Talk to your employer about a paycheck advance.** Policies vary by employer, and you may be required to fill out an application detailing why the advance is needed. Usually repayment is deducted from future pay. Ask your employer about participating in the United Way's "Working Bridges" income advance loan program -- for more information, visit: <http://www.unitedwaycc.org/resources-for-companies/working-bridges/>.
- 3. Consider a loan from a bank or credit union or a cash advance on a credit card.** These options usually carry lower interest rates than a payday loan (typically around 36%). Shop around for the best offer.
- 4. Find a licensed commercial money lender.** Vermont's licensed lenders may provide unsecured loans that are less expensive than those from most payday lenders. Contact the Vermont DFR or visit www.dfr.vermont.gov/banking/verify-license.
- 5. Review your bank's checking account plans.** For a fee, many banks provide plans that transfer money from a savings account, credit card or line of credit to cover overdrawn accounts. Avoid "bounce protection" programs that only cover individual overdrafts.
- 6. Review your tax withholdings.** If you have been receiving a large tax refund each year, you may want to reduce the amount withheld from your check. It's better to have money available when you need it, rather than pay interest on loans until the refund comes in.
- 7. Consider a licensed, not-for-profit credit counseling agency.** Debt adjustors, or credit counseling agencies, can help reduce fees and interest rates, arrange to waive charges, and stop harassing phone calls from creditors. Be sure the agency is licensed and not-for-profit. Contact the Vermont DFR or visit www.dfr.vermont.gov/banking/verify-license for a list of licensed debt adjustors.

For State Employees

- You may be eligible for a salary advance for "emergency circumstances". Visit <http://humanresources.vermont.gov/sites/dhr/files/Documents/Policy%20Manual/Number%2012.10%20-%20EMPLOYEE%20REQUEST%20FOR%20SALARY%20ADVANCE.pdf>