“Faced with high expenses, too many people are unwilling to change their lifestyles. Being unwilling to change is as deadly as being unable to change.”

- Ric Edelman, financial expert

FIT/UCE Employee Assistance Program
212-217-5600
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Are You in Trouble with Debt?

- An increasing amount of your income is going to debt payments.
- You pay only the minimum amount on loans and credit cards.
- You have reached your limit on credit cards.
- You use credit cards to pay for things that you used to pay for with cash.
- Debt prevents you from making contributions to your retirement plan.
- You experience worry, anxiety, or sleeplessness over debt problems.
- You’ve been in debt before, got out of it, but are burdened by debt again.

Credit Repair Service Scams

The Federal Trade Commission says don’t believe advertisements heard on radio, newspapers, TV, and the Internet that offer to erase, for a fee, accurate negative information in your credit file. Some of these companies promise to show you how to create a new credit history using a new employer identification number. Then, they advise you to use it instead of your social security number when you apply for credit. Misrepresenting your social security number is illegal. The FTC says that virtually everything a credit repair service can do legally, you can do yourself.

What about Debt Repayment Services?

Debt repayment services can work, but you should review the options available in your community. Before you do business with any company, check it out with your local consumer protection agency or the Better Business Bureau in the company’s location. Some debt counseling service firms may charge high fees and fail to follow through on the services they sell. Others may misrepresent the terms of a debt consolidation loan, failing either to explain certain costs or to mention that you are signing over your home as collateral.

What the EAP can Do

The EAP can refer you to services in the community where you can obtain help for problems with debt. The EAP has information on where to find budgeting and money management help, debt repayment services, and financial counseling programs. These services can help you develop budget, spending, and debt payment plans.

Federal Laws that Govern Debt and Credit Services

Fair Debt Collection Practices Act: Governs the business practices of debt collection companies and protects consumers against illegal methods and invasion of privacy.

Fair and Accurate Credit Transactions Act of 2004: Provides for a free credit report upon request once per year from Experian, Equifax, and Trans Union credit bureaus.

Federal Credit Repair Organizations Act: Governs the business practices of credit repair organizations and the services and information they provide to consumers.

Federal Telemarketing Sales Rule: Addresses business practices of companies offering loans by phone and promising a loan for an advanced payment or fee.

Fair Credit Reporting Act: Governs the management of information associated with consumer credit, reporting, dissemination of information, consumer rights to dispute errors, and time limits on the reporting of negative accurate information about credit.

This information is not intended to replace the medical advice of your doctor or healthcare provider. Please consult your health care provider or EAP for advice about a personal concern or medical condition.