

CREDIT ACCESS LENDER ORDINANCE

→ Takes Effect May 18

In an effort to reduce abusive and predatory lending practices, the City of Killeen will require credit access lenders to register and abide by certain restrictions. The new ordinance applies to pay day and car title lenders.

LENDERS

MUST

Register with the City of Killeen



MUST

Conspicuously display certificate of registration



MUST

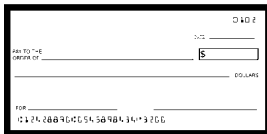
Prominently post Military Lending Act sign



BORROWERS

KNOW

A payday advance cannot be in an amount more than 20% of your monthly gross income.



KNOW

A title loan cannot exceed the lesser of 3% of your gross annual income or 70% of the retail value of the vehicle.



KNOW

Proper signage is required of all credit extension businesses. Do not take a loan if you do not see the signs.



- Credit extension repaid in installments may have no more than 4 installments and may not be refinanced or renewed.
- Credit extension repaid in a single lump sum may not be refinanced or renewed more than 3 times.
- The lender **MUST** use at least 25% of the proceeds from each installment, refinancing or renewal toward the principal loan amount.

COMPLAINTS should be filed with Killeen PD