

## Tips about Payday Loans

**Payday loans are illegal in New York.** A payday loan is a high-interest loan borrowed against your next paycheck. In New York State, most payday loans are handled by phone or online. In order to apply for a payday loan, a borrower generally needs to have a checking account and proof of income.

If you receive an offer for a payday loan, please report it to the New York State Banking Department by calling 1-877-BANK-NYS (2265-697) or visiting [www.banking.state.ny.us](http://www.banking.state.ny.us)

If you are in need of cash, here are some alternatives to consider:

- Learn more about Human Resources Administration (HRA) emergency assistance programs, including cash assistance, medical assistance, food stamps, and job opportunities. Call 311 or visit [www.nyc.gov/hra](http://www.nyc.gov/hra) to learn more.
- Look into a small loan from a credit union or bank. These loans usually have lower interest rates than a payday loan. Be sure to shop around to find the best offer for you.
- Inquire about an advance from your employer.
- Ask family or friends for a small loan.
- A cash advance is sometimes available from your credit card provider. It may have a higher interest rate than a credit union or bank loan, but it's a lot cheaper than a payday loan. Be sure to compare all costs.

**Call 311 or visit [nyc.gov/ofe](http://nyc.gov/ofe) to find free and low-cost financial education classes, workshops, and counseling to make the most of your money.**