

Alabama:

I. Introducing Alabama

State Population:	4,884,115
Poverty Rate: ¹	More than 900,000 (19.2%) live below the poverty line of \$24,300 for a family of 4. (Alabama is the fourth poorest state.)
Unemployment Rate: ²	6.2% (The U.S. unemployment rate is 4.9%)
Total State Debt: ³	\$8,907,686,000
Debt per capita: ⁴	\$1,863.64
Average Credit Score: ⁵	The average credit score in Alabama is 683, which is average/fair, and is the sixth lowest in the nation.
Student Loan Debt: ⁶	\$35,000 per person on average (8 th worst in the country)
Median Household Income: ⁷	\$44,765 (2015)
Rent vs. Own: ⁸	382,005 vs 4,739,380

II. Analysis of Payday Loans in Alabama

Legal Status: ⁹	Legal
Number of Payday Loan Companies: ¹⁰	1,177

¹ "Alabama is the fourth poorest state: More than 900,000 live below poverty level, study finds" AL.com. Accessed February 13, 2017.

http://www.al.com/news/index.ssf/2016/06/alabama_is_the_fourth_poorest.html

² "Alabama's unemployment rate rises to 6.2 percent" AL.com. Accessed February 13, 2017.

http://www.al.com/business/index.ssf/2017/01/alabamas_unemployment_rate_ris.html

³ "State Debt" Ballotpedia. Accessed March 6, 2017. https://ballotpedia.org/State_debt

⁴ "State Debt" Ballotpedia. Accessed March 6, 2017. https://ballotpedia.org/State_debt

⁵ "Is your credit score better or worse than the Alabama average?" Alabama Media Group. Accessed March 6, 2017.

http://www.al.com/news/index.ssf/2016/02/is_your_credit_score_better_or.html

⁶ "State by State Data" The Institute for College Access & Success. Accessed March 6, 2017.

<http://ticas.org/posd/map-state-data#>

⁷ "Alabama Household Income" Department of Numbers. Accessed March 6, 2017.

<http://www.deptofnumbers.com/income/alabama/>

⁸ "Quick Facts: Resident Demographics" National Multifamily Housing Council. Accessed March 6, 2017. <http://www.nmhc.org/Content.aspx?id=4708>

⁹ "Payday Lending State Statutes" National Conference of State Legislatures. Accessed 6, 2017. <http://www.ncsl.org/research/financial-services-and-commerce/payday-lending-state-statutes.aspx>

¹⁰ "McDonald's vs. Payday Lenders" California State University Northridge. Accessed March 6, 2017. http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm

Number of McDonald's: ¹¹	210
Payday Lenders per 100,000 people: ¹²	26.47
Number of Payday Loans Taken Out: ¹³	2 million in 2015 (246,824 unique borrowers)
Average # of Loans per Borrower: ¹⁴	8 loans per borrower
Average Loan Amount:	\$326
Average Fee per Loan:	\$56
Maximum Loan Amount: ¹⁵	\$500
Minimum Length of Loan:	10 days
Maximum Length of Loan:	31 days
Rollovers Permitted:	1
Fees and Finance Charges:	17.50% and 3% a month after default
Finance Charge on a 14-day \$100 Loan:	\$17.50
APR on a 14-day \$100 Loan: ¹⁶	456.25%
Maximum # of Outstanding Loans at a Time:	The maximum dollar amount allowed at one time is \$500
Repayment Plan:	Yes – 4 equal monthly installments
Cooling-off Period:	Next business day after 2 continuous loans repaid

III. Analysis of Title Loans in Alabama

Total Title Loan Fees: ¹⁷	\$357 million
Legality of Title Loans:	Legal (defined as a pawn transaction)
Loopholes:	There are no loopholes because title loans are legal in Alabama.

¹¹ "McDonald's vs. Payday Lenders" California State University Northridge. Accessed March 6, 2017. http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm

¹² "McDonald's vs. Payday Lenders" California State University Northridge. Accessed March 6, 2017. http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm

¹³ "Alabamians Used Payday Loans Two Million Times in 2015" AL.com. Accessed February 13, 2017. http://www.al.com/news/index.ssf/2016/09/alabamians_use_payday_loans_tw.html

¹⁴ "Combating Abuses of Predatory Lending" Alabama Appleseed. Accessed February 13, 2017. http://www.alabamaappleseed.org/uploads/4/3/3/1/4331751/pl_naacp_oct2015.pdf

¹⁵ "Alabama State Information" Payday Loan Consumer Information. Accessed March 6, 2017. <http://www.paydayloaninfo.org/state-information/8>

¹⁶ "Alabama State Information" Payday Loan Consumer Information. Accessed March 6, 2017. <http://www.paydayloaninfo.org/state-information/8>

¹⁷ "Payday and Car Title Lenders Drain \$8 Billion in Fees Every Year" Center for Responsible Lending. Accessed February 15, 2017. http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl_statebystate_fee_drain_may2016_0.pdf

Average Rate of Title Loans: ¹⁸	300% per year
Number of Title Loan Companies: ¹⁹	672
Population per Lender: ²⁰	5,427
Number of Title Loans Taken Out: ²¹	152,544
# of Loans Paid Off:	12%
Maximum Loan Amount:	None
# of borrowers who fail to pay: ²²	4 out of 5 fail to pay off their loan
# of borrowers who renew loans:	At least 2/3 renew their loan at least 7 times
How Many Borrowers Lose Their Cars: ²³	1 in 6 drivers face repossession

IV. Regulating Payday and Title Lenders in Alabama

Legal Assistance:	
Regulator: State Banking Department	Address: P.O. Box 4600 Montgomery, AL 36103
	Phone: (334) 242-3452
	Fax:
	Website: http://www.bank.state.al.us/
State Information:	Website: http://www.alabama.gov/

¹⁸ "Alabama Laws on Title Loans" Sapling. Accessed February 15, 2017.

<https://www.sapling.com/6820766/alabama-laws-title-loans>

¹⁹ "Driven to Disaster: Car-Title Lending and Its Impact on Consumers" CFA. Accessed February 15, 2017.

<http://www.responsiblelending.org/other-consumer-loans/car-title-loans/research-analysis/CR-L-Car-Title-Report-FINAL.pdf>

²⁰ "Driven to Disaster: Car-Title Lending and Its Impact on Consumers" CFA. Accessed February 15, 2017.

<http://www.responsiblelending.org/other-consumer-loans/car-title-loans/research-analysis/CR-L-Car-Title-Report-FINAL.pdf>

²¹ "Car-Title Lending" Center for Responsible Lending. Accessed February 13, 2017.

<https://www.tml.org/p/Center%20For%20Responsible%20Lending%20Car%20Title%20Loans%20Report.pdf>

²² "1 in 5 Title Loan Borrowers Forfeit Their car, Report Finds" Yahoo! News. Accessed February 15, 2017. <https://www.yahoo.com/news/1-5-title-loan-borrowers-130000414.html>

²³ "Combating Abuses of Predatory Lending" Alabama Appleseed. Accessed February 13, 2017. http://www.alabamaappleseed.org/uploads/4/3/3/1/4331751/pl_naacp_oct2015.pdf

References: