

## Virginia:

### I. Introducing Virginia

State Population:	8.326 million
Poverty Rate: <sup>1</sup>	In 2015, Virginia's poverty rate dropped slightly to 11.2%, which is the 11 <sup>th</sup> lowest rate in the nation.
Unemployment Rate: <sup>2</sup>	4.8% (The U.S. unemployment rate is 4.9%)
Total State Debt: <sup>3</sup>	\$27,739,117,000
Debt per capita: <sup>4</sup>	\$3,466.95
Average Credit Score: <sup>5</sup>	The average credit score in Virginia is 694, which is considered good and shows the borrower has made most of his payments on time and in full.
Student Loan Debt: <sup>6</sup>	\$27,717 per person on average (Virginia ranks at 25 <sup>th</sup> in the country)
Median Household Income: <sup>7</sup>	\$66,262 (2015), which is \$10,487 higher than the nation's median household income.
Rent vs. Own: <sup>8</sup>	1,033,216 (rent) vs 8,139,181 (own)

### II. Analysis of Payday Loans in Virginia

Legal Status: <sup>9</sup>	Legal
Loopholes:	Lenders found a way around APR caps by offering open-end credit loans.

<sup>1</sup> "Poverty" Virginia Performs. Accessed March 30, 2017.

<http://vaperforms.virginia.gov/indicators/economy/poverty.php>

<sup>2</sup> "Virginia" Bureau of Labor Statistics. Accessed March 30, 2017.

<https://www.bls.gov/eag/eag.va.htm>

<sup>3</sup> "State Debt" Ballotpedia. Accessed March 6, 2017. [https://ballotpedia.org/State\\_debt](https://ballotpedia.org/State_debt)

<sup>4</sup> "State Debt" Ballotpedia. Accessed March 6, 2017. [https://ballotpedia.org/State\\_debt](https://ballotpedia.org/State_debt)

<sup>5</sup> "Average Credit Scores by State" Governing. Accessed March 30, 2017.

<http://www.governing.com/gov-data/economy-finance/average-credit-score-by-state.html>

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

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

<sup>7</sup> "Virginia Household Income" Department of Numbers. Accessed March 30, 2017.

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

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

<sup>9</sup> "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>

Number of Payday Loan Companies: <sup>10</sup>	743
Number of McDonald's: <sup>11</sup>	382
Payday Lenders per 100,000 people: <sup>12</sup>	10.50
Number of Payday Loans Taken Out: <sup>13</sup>	470,062
Total # of Borrowers:	147,162
Average Loan Amount: <sup>14</sup>	\$395
Average # of loans per borrower:	3.2
Payday Loan Dollar Volume: <sup>15</sup>	\$185,679,381
Maximum Loan Amount: <sup>16</sup>	\$500
Minimum Length of Loan: <sup>17</sup>	Two pay periods
Rollovers Permitted:	None – cannot refinance, renew, or extend
Fees and Finance Charges:	36% annual interest, a \$5 verification fee, and 20% of loan
Finance Charge on a 14-day \$100 Loan:	\$26.38
APR on a 14-day \$100 Loan:	687.76%
Maximum # of Outstanding Loans at a Time:	The maximum dollar amount allowed at one time is \$500
Repayment Plan:	Yes – 4 equal monthly installments

<sup>10</sup> “McDonald’s vs. Payday Lenders” California State University Northridge. Accessed March 6, 2017. [http://www.csun.edu/~sg4002/research/mcdonalds\\_by\\_state.htm](http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm)

<sup>11</sup> “McDonald’s vs. Payday Lenders” California State University Northridge. Accessed March 6, 2017. [http://www.csun.edu/~sg4002/research/mcdonalds\\_by\\_state.htm](http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm)

<sup>12</sup> “McDonald’s vs. Payday Lenders” California State University Northridge. Accessed March 6, 2017. [http://www.csun.edu/~sg4002/research/mcdonalds\\_by\\_state.htm](http://www.csun.edu/~sg4002/research/mcdonalds_by_state.htm)

<sup>13</sup> “Payday Lending Abuses and Predatory Practices” Center for Responsible Lending. Accessed March 30, 2017.

<http://www.responsiblelending.org/state-of-lending/reports/10-Payday-Loans.pdf>

<sup>14</sup> “Payday Lending Abuses and Predatory Practices” Center for Responsible Lending. Accessed March 30, 2017.

<http://www.responsiblelending.org/state-of-lending/reports/10-Payday-Loans.pdf>

<sup>15</sup> “Payday Lending Abuses and Predatory Practices” Center for Responsible Lending. Accessed March 30, 2017.

<http://www.responsiblelending.org/state-of-lending/reports/10-Payday-Loans.pdf>

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

<sup>17</sup> “Payday Lending Abuses and Predatory Practices” Center for Responsible Lending. Accessed March 30, 2017.

<http://www.responsiblelending.org/state-of-lending/reports/10-Payday-Loans.pdf>

Cooling-off Period: <sup>18</sup>	Mandatory 45-day cooling-off period after the fifth payday loan in six months, which is enforceable through a database.
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### III. Analysis of Title Loans in Virginia

Total Title Loan Fees: <sup>19</sup>	\$252million vs \$18.7 million in payday loan fees
Legality of Title Loans:	Legal
Loopholes:	There are no loopholes because title loans are legal in Virginia.
Average Rate of Title Loans: <sup>20</sup>	264% for loans under \$700 216% for loans between \$700 and \$1,400 180% for loans over \$1,400
Number of Title Loan Companies: <sup>21</sup>	378
Population per Lender: <sup>22</sup>	16,262
Average # of Loans per Store:	340
Number of Title Loans Taken Out: <sup>23</sup>	128,446
Average Loan Amount:	\$976

<sup>18</sup> "Payday Lending Abuses and Predatory Practices" Center for Responsible Lending. Accessed March 30, 2017.

<http://www.responsiblelending.org/state-of-lending/reports/10-Payday-Loans.pdf>

<sup>19</sup> "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](http://responsiblelending.org/sites/default/files/nodes/files/research-publication/crl_statebystate_fee_drain_may2016_0.pdf)

<sup>20</sup> "Car Title Loans" Virginia Legal Aid Society. Accessed March 29, 2017.

<http://www.valegalaid.org/files/E095B726-FCD8-81C1-17DC-A16C7ED73FFF/attachments/B151810D-FB83-19B7-96FF-ACF7E3A561F5/car-title-loans.pdf>

<sup>21</sup> "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>

<sup>22</sup> "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>

<sup>23</sup> "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>

Total Loan Volume: <sup>24</sup>	\$125,381,561
Maximum Loan Amount:	None

IV. Regulating Payday and Title Lenders in Virginia

Legal Assistance:	<a href="#">Virginia Legal Aid Society</a>
	<a href="#">Virginia Poverty Law Center (VPLC)</a>
Regulator: Virginia Bureau of Financial Institutions	Address: Tyler Building, 8 <sup>th</sup> Floor 1300 East Main Street, Suite 800 Richmond, VA 23219
	Phone: (800) 552-7945
	Fax: (804) 371-9416
	Website: <a href="http://www.scc.virginia.gov/bfi/">http://www.scc.virginia.gov/bfi/</a>
State Information:	Website: <a href="https://www.virginia.gov/">https://www.virginia.gov/</a>

**References:**

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<sup>24</sup> “Car-Title Lending” Center for Responsible Lending. Accessed March 30, 2017.  
<https://www.tml.org/p/Center%20For%20Responsible%20Lending%20Car%20Title%20Loans%20Report.pdf>