**Birmingham**

1. Introducing Birmingham

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| City Population: | 212,157[[1]](#footnote-1) |
| Poverty Rate: | 30.9%[[2]](#footnote-2) |
| Unemployment Rate: | 3.1[[3]](#footnote-3) |
| Job Growth Rate: | Projected 1.5% in 2017[[4]](#footnote-4) |
| Total City Debt: | $3.14 billion for Jefferson County[[5]](#footnote-5) |
| Debt per capita: | $401[[6]](#footnote-6) |
| Living Wage: | $10.98 for 1 adult, $22.41 for 1 adult and 1 child, $28.20 for 1 adult and 2 children[[7]](#footnote-7) |
| Minimum Wage: | $7.25[[8]](#footnote-8) |
| Median Household Income: | $51,459 in 2015[[9]](#footnote-9) |
| Cost of Living: | $22,843 for 1 adult, $46,606 for 1 adult and 1 child and $58,660 for 1 adult and 2 children [[10]](#footnote-10) |
| Rent vs. Own: | 31.07% rent [[11]](#footnote-11) |
| Rent Assistance: | [Resources for rent assistance](http://www.needhelppayingbills.com/html/birmingham_rent_assistance.html)  |
| Senior Living: | [Jefferson County Senior Services](http://www.jccal.org/Default.asp?ID=355&pg=Senior+Citizens+Services) |
| Drug Abuse: | [Addiction Services in Birmingham](http://www.addicted.org/addiction-services-birmingham.html) |
| Alcoholic Help: | [Addiction Services in Birmingham](http://www.addicted.org/addiction-services-birmingham.html) |
| Housing Resources: | [Jefferson County Housing Authority](http://www.jeffcntyhousing.com/) |
| Homeless Shelters: | [Homeless shelter directory](https://www.homelessshelterdirectory.org/cgi-bin/id/city.cgi?city=Birmingham&state=AL) |
| Financial Assistance: | [Jefferson County Assistance Programs](http://www.needhelppayingbills.com/html/jefferson_county_assistance_pr7.html) |
| Veterans Assistance: | [Birmingham Veterans Affairs](https://www.birmingham.va.gov/) |

1. Payday Loans in Birmingham

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| Legal Status: | Legal |
| Payday Transactions: | 2 million payday loans in 2015 - each borrower taking out 8 loans each[[12]](#footnote-12) |
| Payday Fee per $100: | $17.50[[13]](#footnote-13) |
| % of Customers Refinancing: | 66%[[14]](#footnote-14) |
| Average Loan Size: | $326 - average fee of $56[[15]](#footnote-15) |
| Maximum loan amount and interest rate  | $500 and 456%[[16]](#footnote-16) |
| Maximum annual interest rate:  | 456%[[17]](#footnote-17) |
| City Specific Regulations: | 747 licensed payday lenders in 2016 - down from 1,100 in 2015[[18]](#footnote-18)Maximum limit of $500[[19]](#footnote-19) |
| Consumer Example: | Stephen Stetson, a policy analyst at Alabama Arise, said the repeat usage suggests that people are using the loans to pay recurring expenses and not just for emergencies. "These loans are marketed for emergency use only. If somebody is taking out that many in a year, it means they are using them to pay the bills," Stetson said.[[20]](#footnote-20) |
| Notable News Stories: | * **Alabama's toxic lending problem: Who cares?** <http://www.al.com/opinion/index.ssf/2017/05/alabamas_toxic_lending_problem.html>
* Alabamians used payday loans two million times in 2015 <http://www.al.com/news/index.ssf/2016/09/alabamians_use_payday_loans_tw.html>
* Payday lending stores in Alabama: Facts and Issues [http://www.lwval.org/payday-lending/payday-lending-facts-&-issues.pdf](http://www.lwval.org/payday-lending/payday-lending-facts-%26-issues.pdf)
 |
| Political Connections | “Payday lenders gave more than $475,000 to lawmakers during the last election season, including top legislative leaders and members of key legislative committees.”[[21]](#footnote-21) Here are a few highlights from the results: two-thirds of Alabamians support banning payday loans outright; 65% of Alabamians support a 36% APR cap on payday loans; 63% of Alabamians support banning high cost installment loans. Lobbying efforts by lenders in 2002 resulted in the modification of the Alabama Small Loan Act that provided an alternative rate schedule increasing allowable loans to approximately 190% APR (Act 1959-374 Sect. 5-8-15, Alternative rate schedule, subsection (m)). In 2003, the Legislature passed the Deferred Presentment Act, carving out additional exceptions for small loans and setting the current APR at 456% (Act 2003-359)[[22]](#footnote-22) |

1. Title Loans in Birmingham

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| Legal Status:  | Legal |
| Auto-Title Loan Transactions in Alabama |  $357 million[[23]](#footnote-23) or 152,544[[24]](#footnote-24) in 672 title loan stores |
| Fee per $100: | 25% per month |
| % of Customers Refinancing: |  |
| Average Loan Size: | More than $1,000[[25]](#footnote-25) |
| Repossession Rate: | 1 in 5 nationally[[26]](#footnote-26) |
| Total car title loan fees | 300% APR |
| Repossessions (transactions per repossession): |  |
| City Specific Regulations: | Currently, title loans are governed by the Pawnshop Act, which allows 300 percent annual interest rates[[27]](#footnote-27) |
| Consumer Example: |  |
| Notable facts | According to a 2006 report from the Consumer Federation of America, Alabama and Georgia are the only states in which a lender can keep the entire proceeds from the resale of a vehicle repossessed after a loan default. If a borrower defaults on payment of a $1,500 loan on a $6,000 car, for example, the lending agency can repossess the car, resell it and legally keep the whole sum from the sale.[[28]](#footnote-28) |
| Notable News Stories: | * [VIEWPOINTS: Alabama leads nation in car-title loan outlets](http://blog.al.com/birmingham-news-commentary/2012/09/viewpoints_alabama_leads_natio.html)
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1. A Fight Against Payday and Title Loans in Birmingham, AL

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| Foundations for Help: | * [Jefferson County Committee for Economic Opportunity](http://www.jcceo.org/programs_services)
* [Neighborhood Housing Services of Birmingham, Inc.](http://nhsbham.org/budget-management-credit-counseling/)
* [United Way 211](http://www.211connectsalabama.org/life-skills/)
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| Legal Assistance:  | * [Legal Aid Society of Birmingham](http://www.legalaidbirmingham.com/)
* [Legal Services Alabama](https://www.legalservicesalabama.org/)
* [Birmingham Bar Volunteer Lawyers Program](http://vlpbirmingham.org/)
 |
| Notable News Stories on Helping Consumers: | [With 239,000 Alabamians using payday loans, Alabama Sen. Arthur Orr wants industry reform](http://blog.al.com/birmingham-news-commentary/2012/09/viewpoints_alabama_leads_natio.html) |
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| Regulator:  | State of AlabamaState Banking DepartmentATTN: Consumer LendingP.O. Box 4600Montgomery, AL 36103-4600Consumer.Lending@banking.alabama.gov (334)242-3452 |
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**References:**

* **Alabama's toxic lending problem: Who cares?** <http://www.al.com/opinion/index.ssf/2017/05/alabamas_toxic_lending_problem.html>
* Alabamians used payday loans two million times in 2015 <http://www.al.com/news/index.ssf/2016/09/alabamians_use_payday_loans_tw.html>
* Payday lending stores in Alabama: Facts and Issues [http://www.lwval.org/payday-lending/payday-lending-facts-&-issues.pdf](http://www.lwval.org/payday-lending/payday-lending-facts-%26-issues.pdf)
* [VIEWPOINTS: Alabama leads nation in car-title loan outlets](http://blog.al.com/birmingham-news-commentary/2012/09/viewpoints_alabama_leads_natio.html)
1. Census Bureau <https://www.census.gov/quickfacts/fact/map/birminghamcityalabama/PST045216#viewtop> [↑](#footnote-ref-1)
2. Census Bureau <https://www.census.gov/quickfacts/fact/map/birminghamcityalabama/PST045216#viewtop> [↑](#footnote-ref-2)
3. Bureau of Labor Statistics <https://www.bls.gov/eag/eag.al_birmingham_msa.htm> [↑](#footnote-ref-3)
4. Birmingham Business Journal <https://www.bizjournals.com/birmingham/news/2017/08/30/alabama-job-growth-expected-to-pick-up-the-pace-in.html> [↑](#footnote-ref-4)
5. <https://www.reuters.com/article/us-usa-alabama-jeffersoncounty1/alabama-county-files-biggest-municipal-bankruptcy-idUSTRE7A94CP20111110> [↑](#footnote-ref-5)
6. <http://parcalabama.org/wp-content/uploads/2017/04/How-Alabama-City-Finances-Compare.pdf> [↑](#footnote-ref-6)
7. Living Wage Calculator <http://livingwage.mit.edu/counties/01073> [↑](#footnote-ref-7)
8. <http://livingwage.mit.edu/counties/01073> [↑](#footnote-ref-8)
9. <http://www.deptofnumbers.com/income/alabama/birmingham/> [↑](#footnote-ref-9)
10. <http://livingwage.mit.edu/counties/01073> [↑](#footnote-ref-10)
11. <http://www.deptofnumbers.com/rent/alabama/birmingham/> [↑](#footnote-ref-11)
12. <http://www.al.com/news/index.ssf/2016/09/alabamians_use_payday_loans_tw.html> [↑](#footnote-ref-12)
13. [http://www.lwval.org/payday-lending/payday-lending-facts-&-issues.pdf](http://www.lwval.org/payday-lending/payday-lending-facts-%26-issues.pdf) [↑](#footnote-ref-13)
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17. <http://www.al.com/opinion/index.ssf/2017/05/alabamas_toxic_lending_problem.html> [↑](#footnote-ref-17)
18. <http://www.al.com/news/index.ssf/2016/09/alabamians_use_payday_loans_tw.html> [↑](#footnote-ref-18)
19. <http://www.al.com/news/index.ssf/2016/09/alabamians_use_payday_loans_tw.html> [↑](#footnote-ref-19)
20. <http://www.al.com/news/index.ssf/2016/09/alabamians_use_payday_loans_tw.html> [↑](#footnote-ref-20)
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23. <http://blog.credit.com/2016/05/1-in-5-auto-title-loan-borrowers-have-their-vehicle-seized-144700/> [↑](#footnote-ref-23)
24. <http://www.responsiblelending.org/state-of-lending/reports/7-Car-Title-Loans.pdf> [↑](#footnote-ref-24)
25. <https://www.sapling.com/6820766/alabama-laws-title-loans> [↑](#footnote-ref-25)
26. http://blog.credit.com/2016/05/1-in-5-auto-title-loan-borrowers-have-their-vehicle-seized-144700/ [↑](#footnote-ref-26)
27. <http://blog.al.com/birmingham-news-commentary/2012/09/viewpoints_alabama_leads_natio.html> [↑](#footnote-ref-27)
28. <http://blog.al.com/birmingham-news-commentary/2012/09/viewpoints_alabama_leads_natio.html> [↑](#footnote-ref-28)