

FINANCIAL FRONTLINES



RESOURCE GUIDE



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Chapter 1

BUDGETING AND SAVINGS

A budget is a plan you and your family can use as a guide for spending and saving. Creating a budget provides a clear picture of how much money you have coming in compared to the amount going out. Having a full understanding of your finances will lead to fewer financial problems and less stress. Be in control of your finances; don't let your finances control you.

Military servicemembers in debt tend to have an average debt-to-income ratio of 46.5%. This is approximately 10% higher than civilians. Financial problems can affect your ability to rent a home and purchase a car but, more importantly as a servicemember, it can also affect your security clearance. Debt can be considered a 'dishonorable' condition, and if your job requires a certain security clearance that you can't attain, you may be reclassified or even discharged as a result of financial problems.

In addition to active duty servicemembers, veterans face unique financial challenges including adjusting to civilian life and acquiring basic necessities such as food, clothing and other day to day purchases.

When in the military, these things are not only provided, but there is often little choice (for example you eat at a determined time and place, or your duty station determines your dress). The vast array of choices in the civilian world can sometimes be overwhelming, but by sticking with your budgeting plan and living within your predetermined needs, you can help yourself make the right decisions to create and maintain a strong foundation for you and your families' financial future.

BUDGETING

Below are a few basic steps to help create a budget. It's a process and will evolve as your financial needs change over time.

Track Spending for a Month – The first step in creating a budget is to examine your spending habits. Keep track of everything you spend for at least a month. You may be surprised to find where you can make adjustments without cutting out all of the fun. Maybe you choose to dine out one night a week instead of 3 or 4 times. You can also make saving automatic; you won't miss money that you don't see. Pay yourself first by setting up automatic withdrawals to your savings account or 401K.

Live Within Your Means – Spending within your means will allow you to make the most of your money and avoid wasteful spending. This will ensure you have the money to pay for expenses that are really important to you and your family. Use cash or a debit card for daily purchases and set a specific amount for daily discretionary expenses. This will encourage you to make better spending decisions.

Eliminate Credit Card Debt - Ideally, you will want to eliminate any credit card debt you incur on a monthly basis and live debt free. Approximately 27% of servicemembers owe more than \$10,000 on credit cards. It is important to develop a plan to begin paying off credit card debt. You can start by

paying off the credit card with the highest interest rate or the lowest balance, whichever method works best for you. Stay current with other debts by making at least the minimum payments but try to pay more. When the first debt is repaid, use the same method on the next debt until all debt is gone.

As a military servicemember you have protections against high credit card interest rates. The Servicemembers Civil Relief Act states that lenders must cap interest rates at 6% on loans servicemembers incurred prior to becoming active. The cap applies to all pre-service loans and obligations, with the exception of federal guaranteed student loans, also known as Perkins Loans. To request an interest rate reduction, send a written request letter to your credit card company and include a copy of your military orders. You can request this rate reduction at any time during service, but no more than 180 days after release from active duty. Servicemembers with a federal guaranteed student loan, such as a Perkins Loan, may be eligible for a principal reduction after serving 365 consecutive days in an 'area of hostility.'

Create an Emergency Saving Account – Start saving, no matter how small the amount. Only 43% of enlisted servicemembers have emergency cash set aside to cover unexpected expenses. Most financial advisors suggest having between 3 and 6 months worth your salary in emergency cash. You can increase your savings as you decrease your debt. You should begin saving for an emergency fund as you pay down your debt. This will eliminate the need for a credit card in the event of an emergency. If you don't have an emergency fund, the debt reduction process will start over again from the beginning. Deposit your re-enlistment bonuses or deployment pay into a saving or money market account as a way to increase your emergency fund.

Other Savings Options - Military servicemembers have savings and investment options available to them that civilians do not.

- The **Department of Defense Savings Deposit Program** is designed to help servicemembers improve their financial situation while serving in designated combat zones. Military servicemembers who are serving in a designated combat zone, receiving Hostile Fire Pay and who are deployed for at least 30 consecutive days or 1 day in 3 consecutive months may participate in the program. The Savings Deposit Program allows qualified servicemembers to deposit up to \$10,000, which will earn 10% interest annually.
- The **Thrift Savings Plan (TSP)** is a federal government sponsored retirement and investment plan that offers the same type of savings and tax benefits that a typical employer sponsored 401k offers. Participating servicemembers can contribute up to the yearly maximum amount as defined by the Internal Revenue Code (IRC). Also, any participating servicemember who will be age 50 or over during the tax year can contribute up to the maximum amount allowable in additional catch-up contributions, as long as regular contributions for the year have reach the

contribution limit. Matching contributions may also be available, check with your service secretary to see if you are eligible.

You can learn more about contribution limits here - <https://www.TSP.gov/PlanParticipation/index.html>.

When your military service ends, you have a number of options regarding your Thrift Savings Plan (TSP). Your TSP does not have to end when your military service ends. Even as you return to a civilian life and obtain a job, you can continue to resume contributions to your plan. Contact your employer's human resources office to request information on their procedures for contributing to the TSP as a civilian.

For more information regarding your TSP and options you have upon returning to a civilian job, please visit the Thrift Savings Plan website at www.TSP.gov to learn more.

There are a number of resources and tip sheets to help ease your transition to civilian life and inform you of options you have and benefits you can maintain. To learn about deadlines for withdrawal, Required Minimum Distributions (RMD), withdrawal options, tax consequences, and more, visit <https://www.tsp.gov>.

Chapter 2

CREDIT SCORE

Your credit score is a range of numbers from 300 to 850. It is a snapshot of your credit history and is used by potential lenders to help determine their level of risk in providing you with a loan or line of credit. You will often see a credit score referred to as FICO which stands for Fair Isaac Corporation. FICO, the company, uses your credit information to create scores that help lenders predict spending and bill paying behavior. Lenders may also use information such as salary and employment history to make a decision on lending you money. The lender takes into account the following:

- Do you pay loans and debts on time?
- Have you filed bankruptcy in the past?
- Do you have credit cards that are maxed out?
- What is your total debt in comparison to available credit?

Your credit score is determined by a mathematical formula and tells lenders how responsible you have been with credit in the past. Several factors are used to influence this score, but the most important factors are whether or not your debt is paid timely and the amount of total debt you owe in comparison to your available credit. Lenders may include information such as salary and employment history to make their decision.

Your credit history lists the details of your past and current credit accounts. It also documents each time you or a lender requests your credit report, as well as times when your accounts were passed on to a collection agency. Financial issues that are part of the public record such as judgments, liens, bankruptcies and foreclosures are also included.

Additionally, insurance companies may use your credit score information along with other factors to predict your risk and the probability of you filing an insurance claim. It's important to make wise decisions when it comes to your finances. A few poor choices can dramatically lower your credit score whereas increasing or fixing your score takes much longer. A low credit score may also significantly lower your chance of receiving a home loan. Even home loans designed specifically for servicemembers, veterans and eligible surviving spouses that offer less stringent requirements rely on the applicant having good credit. Having a good credit score can open many doors of opportunity and will provide you with more financial freedom.

What Does My Credit Score Mean?

Lenders use your score to determine whether you will repay your bills. The higher your score the easier to qualify for a loan rent a house or receive a good rate on car insurance. Your credit score follows you for your entire financial life. You can estimate your credit score at <http://www.whatsmyscore.org/estimator>.

How is My Credit Score Calculated?

The mathematical formula used to determine your credit score is divided into five sections.

Bill Payment = 35%

Lenders are most concerned about whether or not you pay your bills timely. Late payment, collections and bankruptcies all affect the payment history of your credit score. More recent delinquencies hurt more than those in the past.

Amount Owed = 30%

This is the amount you owe on all accounts and the percentage of available credit used. A good rule of thumb is to keep your balance at 30% of your credit limit or less.

Length of Credit = 15%

Having a longer credit history works in your favor because it has more information about your spending habits. It's good to leave accounts open you've had for a long time.

New Credit = 10%

Each time you apply for new credit, an inquiry is added to your credit report. Too many applications for credit may lead lenders to believe that you are in financial trouble. While inquiries can remain on your credit report for two years, your credit score calculations only consider those made within the last year.

Mix of Credit = 10%

Having various types of accounts is good because it shows you have experience managing a mix of credit. This isn't a major factor in your credit score unless there is no other information available on which to base your score.

Your daily financial decisions have a huge impact on your credit score and paint a picture as to how you manage your finances. A consumer with a credit score of 530 will pay a much higher interest rate than a consumer with a 750 score. A higher interest rate results in additional money paid over time.

Below are some benefits that are available to help servicemembers and veterans better manage their debt:

Income-Based Repayment (IBR) – The monthly payment is based on income and family size and adjusted each year based on changes to annual income and family size.

Public Service Loan Forgiveness (PSLF) - Servicemembers may qualify for forgiveness of any remaining balance on federal student loans after 10 years of on-time qualified payments while working full-time in public service, including military service. However, if you leave military service after meeting the PSLF qualifying criteria but before you apply for loan forgiveness, you would not be eligible for forgiveness since you are required to work for a public service organization at the time you apply for and receive forgiveness. However, if you then find employment at another public service organization, you could regain eligibility

Please note, if you ultimately do not meet the eligibility requirements for PSLF, you will be responsible for repaying the entire balance of your loan, including all accrued interest, unless you qualify for forgiveness under the terms of the Income-Based Repayment (IBR) Plan, Pay As You Earn, or Income-Contingent Repayment (ICR) Plan).

Military Deferment – This benefit is available if the servicemember is serving on active duty or if the servicemember is in the National Guard either deployed, or full-time and service is during a time of war, military operation or national emergency. The servicemember can defer the monthly payments during active-duty (or full-time National Guard service), and for up to 180 days after they leave service. However, if the servicemember has unsubsidized federal student loans the unpaid interest will continue to cause the total debt to increase. This may result in a larger loan amount at the end of the servicemember's deferment.

Perkins Loan Forgiveness – A servicemember's Perkins Loan is eligible for principle reduction if they have served in "an area of hostility" for 365 consecutive days. If you are eligible, your loans will be reduced for each qualifying year and will be completely cancelled after five qualifying years. The five years don't have to be consecutive.

Total and Permanent Disability Discharge (TPD) – This benefit is available to veterans who have a 100 percent service-related disability that has been verified by the U.S. Department of Veterans Affairs (VA) as being totally and permanently disabled. The TPD program releases veterans from the obligation to repay their federal student loans due to their service-related disability. The following loan programs are covered under the TPD:

- William D. Ford Federal Direct Loan Program
- Federal Family Education Loan Program
- Federal Perkins Loan Program
- Teach Education Assistance for College and Higher Education (TEACH) Grant Service Obligation

Veterans must submit an application to the U.S. Department of Education for forgiveness of their loans and provide information to support that they are totally and permanently disabled. The U.S. Department of Education will review the required documentation that was submitted by the veteran for the TPD

discharge request. Veterans will be notified via U.S. mail regarding the approval or denial of their application. For additional information, please visit <https://www.disabilitydischarge.com>.

VA Home Loan Guaranty – These loans are available to active duty servicemembers, veterans, and eligible surviving spouses when purchasing a home. Loans are provided by private lenders, but are backed by the U. S. Department of Veterans Affairs (VA). Eligibility requirements include a good credit score, sufficient income, a valid Certificate of Eligibility and meeting additional service requirements. The loans may only be used to buy a home or condominium, build a home, purchase and improve a home, install energy efficient appliances or features to an existing home, or buy a manufactured home or lot. In addition, you must personally occupy the home in order to qualify. There is no down payment or private mortgage insurance required for these types of loans and most closing cost are paid for by the property sellers.

Chapter 3

DEBT COLLECTION

A debt collector may contact you if you are behind on bill payments or if a creditor's records mistakenly show late or no payments. As discussed in Chapter 2, bill payments and managing debt weighs heavily when calculating a credit score. An increased importance is placed upon debt management for active duty servicemembers, as personal financial trouble could jeopardize duty status, potential promotions and even security clearance.

If you are contacted by a debt collector, it is important to take swift action to protect yourself and your rights. Under the federal Fair Debt Collection Practices Act (FDCPA), debt collectors cannot harass, oppress or abuse you or anyone else they contact regarding your debt. They cannot use obscene or profane language, make threats or make repeated telephone calls. As a servicemember, this also means collectors cannot report your debt to your chain of command, threaten prosecution under the Uniform Code of Military Justice or threaten to revoke security clearance or bring about a demotion. Collection agencies do not have the authority to put you in jail for non-payment. If you believe a debt collector is harassing you, submit a complaint to the Consumer Financial Protection Bureau at www.consumerfinance.gov/complaint.

When contacted by a debt collector, they should provide you with information regarding the debt such as the amount owed, the name of the creditor and how to dispute the debt or receive more information. Be sure to document the name of the person you speak with as well as the company phone number and address for your records. If you receive a call, letter or email from anyone demanding your personal account information, do not provide it to them. If it is a company or individual you know or have business with, hang up and call them back at a confirmed and verified number.

If you do not recognize or plan to dispute a debt, respond in writing within 30 days. If you do not respond in writing within 30 days, the collector may continue to contact you. Please note that stopping contact does not cancel your debt; if the collector still believes you are responsible, they can report the debt to the credit reporting agencies - Experian, Equifax and TransUnion – or file a lawsuit.

The FDCPA also provides protection related to means of communication. Collectors are prohibited from communicating with you at your place of work if they know or should know, that your employer prohibits these calls at work. It is important to communicate to the collector that you are not allowed to receive such calls at work and it is best to express this in writing. Collectors cannot contact you at times or places you have told them are inconvenient for you. You have the right under the FDCPA to stop all communication from the debt collector, not just at your place of work.

The Consumer Financial Protection Bureau's Office of Servicemember Affairs has created sample letters to help you communicate with a debt collector if you do not believe the debt is yours, if you would like more information about the debt, to stop the debt collector from contacting you and to

specify how they can contact you. To access these letters, visit

<http://www.consumerfinance.gov/askcfpb/1695/ive-been-contacted-debt-collector-how-do-i-reply.html>.

If a debt collector continues communication after you have expressed your right to no longer be contacted, you can submit a complaint to the Consumer Financial Protection Bureau at

www.consumerfinance.gov/complaint.

View the CFPB's tip sheet on debt collection here:

<http://www.webcaster4.com/Player/Materials?WebcastId=17273&uid=3076051#>.

Chapter 4

PREDATORY LENDING

Current and former military members are a prime target for predatory lending. Unscrupulous business owners are well aware that servicemembers have a guaranteed paycheck and their directive to comply with authority is a guarantee that they will pay their bill. It has been estimated that predatory lending, like payday loans, cost military families \$80 million in interest and fees each year. A study by the Financial Industry Regulatory Authority found that nearly one in three enlisted personnel or junior non-commissioned officers have used payday loans, auto title loans, or other risky borrowing practices within the last five years. In some ways, veterans are more vulnerable to predatory lenders, due to their traditionally high rates of unemployment and other forms of financial hardship. Payday lenders often prey on veterans who possess loans with extremely high annual percentage rates. Car title loans often carry APRs of up to 300%, which can leave veterans without a vehicle. What's worse is that these extremely high annual percentage rates contribute to the rise in homelessness amongst retired servicemembers.

Majority of military bases are surrounded by payday loan and cash advance establishments that offer servicemembers short-term loans. Payday loan establishments outnumber military installation loan companies by as much as 137 to 1. Don't be tempted into entering into a loan agreement with payday loan and cash advance organizations. Approximately 1 in 5 active duty service members are payday loan borrowers and the cost of borrowing money from these types of organizations is high and can be as much as 36% annually.

Many veterans are targets of pre-screened credit offers, a practice used throughout the financial industry that violates consumer privacy and can lead to identity theft. In pre-screening, financial institutions take advantage of the vast amounts of data on consumers and their habits to tailor offers of credit cards, home loans and other financing. While it is possible, when companies follow the law, to opt out of pre-screening and stop getting such offers, the fine print about how to do that is on the back of the notices, and no mention of the benefits to opting out are provided.

These credit offers can show up in various e-mails and mailings from lenders promising extremely low interest rates, usually below 3%. Generally speaking, any rate below 3% on a VA mortgage is most likely to be an Adjustable Rate Mortgage. These lenders are not forthcoming about the true rates offered in these mortgages, and many veterans can end up being stuck in an adjustable rate mortgage that is not truly to their benefit. These types of mortgages can force veterans to pay thousands of dollars in discount points to buy the rate down.

Below are common predatory lending practices that active duty servicemembers and veterans should avoid:

Predatory Mortgage Lending – A lender knowingly assists a borrower with taking out a mortgage that carries a high fee and a high interest rate. A lender will strip the borrower of their equity while placing the borrower in a lower credit rated loan to benefit the lender. Many returning veterans, as well as active duty servicemembers, are buying homes in need of modifications to make them easily accessible. Modifications such as wheelchair ramps, rails and doorway widening can be expensive for disabled veterans. When home values decline, it is a serious liability for a veteran, especially if it's an adjustable rate mortgage and the interest rate increase, causing monthly payments to skyrocket.

Car Title Loans – These loans are marketed as emergency cash, but have extremely high interest rates that are typically triple digits and usually require repayment within one month. The loan amounts are much lower than the value of the car and put at risk an asset that is essential to the well-being of the family car.

Benefits Buyout Offers (Pension Advance) – Veterans must sign over future disability or pension payments for a specific number of years to receive a lump sum of cash now. Companies that offer this buyout often only end up paying a fraction of the veteran's benefits over time. While this may be a viable financial option, you should be aware of the associated risk with this kind of loan. Unlike a traditional loan, you may not be able to get out of the deal early. Review the company's cancellation policy before you sign the contract. Pension advances can be costly due to the fees and potential increase of the annual percentage rate (APR). Some pension advance lenders open new bank accounts and schedule automatic monthly payment withdraws from your account to be deposited into these accounts to pay back the loan, fees and interest charges. Also, you may be required to purchase a life insurance policy that names the pension advance company as the beneficiary to ensure payment continues if you pass away. Finally, a pension advance may have tax consequences placing you into a higher tax bracket, which may require you to pay additional taxes. Before you decide to take an advance on your pension, you may wish to consider other options such as a loan from a credit union or a bank. Some financial institutions offer short-term loans at competitive rates.

There are credit options specifically designed for military servicemembers offered through the military and traditional financial institutions that can help you if an unexpected emergency happens. As a military servicemember you may be eligible to borrow up to \$1,000 twice a year, interest free, through the Military Emergency Relief Fund. For veterans, the Veterans of Foreign War's Unmet Needs program is designed to help with unexpected financial difficulties and provides financial aid of up to \$2,500 to assist with basic life needs in the form of a grant, not a loan, so no repayment is required. In addition, many credit unions, especially those on base, offer short-term loans at competitive rates and some have specific programs for military servicemembers that require little or no credit checks.

Chapter 5

FRAUDS AND SCAMS TARGETING MILITARY SERVICEMEMBERS AND VETERANS

As servicemembers and veterans, as well as residents of Florida, we can't thank you enough for your service and commitment to our country. Unfortunately, businesses and scammers prey on servicemembers and veterans, as well as their families, to take advantage of their patronage. The best way to defend against fraud is to be informed and aware of scams specifically targeted towards active duty servicemembers and veterans alike. Below is a list of a few to be cautious of (listed in alphabetical order).

Charitable Donation Scam – There are many legitimate charities soliciting donations to support our nation's military veterans, as well as active duty personnel. However, not all charities are legitimate and will use words such as “veterans” and “military families” in the charity's name. It's important not give to a charity solely on a familiar or legitimate sounding name. Scam artists often use a name similar to those of well-known businesses so they appear to be legitimate. Before you give money to any organization, do your homework by visiting the organization's website, call the corporate office, ask friends and family if they know about the organization, and use the Internet to look for any stories of fraud by organizations with the same name. You can find a list of registered charities in Florida by visiting the Department of Agriculture and Consumer Services website at www.800helpfla.com.

Credit Repair Scam – Active duty servicemembers are prime targets for the credit repair scam due to many of the financial challenges that come along with being in the military. Scam artists claim to improve your credit score, remove bankruptcies, judgments and liens, and repair your credit. Remember there is no quick fix to repair bad credit. Under federal law, credit repair companies cannot require you to pay any fees until they have completed the service they promised. Financial counselors on your military installation can help you review your credit report free of charge and dispute errors on the report. Only time can erase negative information from your credit history. Most negative information will stay on your report for seven years, and bankruptcies will be reported for 10. Active duty military servicemembers should consider freezing their credit before deploying. Effective July 1, 2018, credit reporting agencies can no longer charge a fee to freeze your credit.

Phony Employment Scam – Scammers are aware that past military experience appeals to many employers and use that to their advantage. Using online job boards, newspapers, televisions and radio, scam artists advertise bogus positions as a way to recruit active duty servicemembers and veterans, in an effort to gather personal or financial information for identity theft. Verify the organization is legitimate before providing personal information. If a company or organization is mentioned in an ad or interview, contact that company directly to find out if the company is hiring. Beware of testimonials or references you cannot independently verify.

G.I. Bill Education Marketing Scam – Active duty servicemembers and veterans seeking to take advantage of the GI Bill for college courses may be targets of deceptive marketing tactics that provide false information and encourage them to attend expensive for-profit educational institutions. The marketing firms use familiar phrases such as: “GI Bill” and “Armed Forces” to recruit active duty servicemembers and veterans. Many discover that some for-profit educational institutions lack accreditation and their credits are not transferrable. The U.S. Department of Veterans Affairs has a [comparison guide](#) that may assist with locating a school and determining your GI benefits. The guide also, has a section for employers where they can search for resumes, post available jobs and learn how servicemembers and veterans are an asset to their organizations. Thoroughly research colleges and other higher educational institutions you are interested in before applying.

High Interest Military Loans – Located outside the gates of many military installations are loan companies offering loans specifically for military servicemembers, veterans and their families. Be cautious of loans that promise instant approval or no credit check. These loans typically come with extremely high interest rates and hidden fees. Remember, legitimate lenders will never guarantee a loan before you apply and are approved, and loans that require an upfront fee are likely to be a scam. Many credit unions, especially those located near or on military installations, offer short-term loans at competitive rates and have specific programs for military servicemembers. Also, as a veteran or military servicemember, you may be eligible to borrow up to \$1,000 twice a year, interest free through the [Military Emergency Relief Fund](#).

Mortgage Relief Scam – Military homeowners looking for assistance with paying the mortgage should be cautious of this type of scam. Some mortgage relief companies will try to convince servicemembers and veterans to pay them a small fee in exchange for their ability to get a loan modification or to stop foreclosure. Oftentimes these companies claim to be associated with the government, a non-profit or housing relief organization; however, it doesn't mean they're actually affiliated with a legitimate entity. It's against the law for mortgage relief companies to charge any money until you have been given a written offer from your lender and you have accepted it. If you're struggling to make your mortgage payment, there are legitimate programs that can help. The best place to start is with your lender. They can work with you to help get you back on track or give you names of legitimate organizations that can help you. Also, the [Consumer Financial Protection Bureau](#) provides a list of approved housing counselors from the office of the U.S. Department of Housing and Urban Development.

Pension Scam – Veterans 65 and over are targeted by financial advisers persuading them to transfer their pensions into a special trust and charge excessive fees. The advisers claim to help veterans qualify for Aid and Attendance benefits, but may cause them to lose eligibility for Medicaid or access to their pension for several years. Only the U.S. Department of Veterans Affairs, Veterans Benefits Administration can award benefits. To avoid becoming a victim of this scam, do not quickly approve changes to your pension. If you are interested in Aid and Attendance benefits, you can apply free of charge through the U.S Department of Veterans Affairs. View our consumer alert on the topic here: <https://www.MyFloridaCFO.com/Division/Consumers/FraudScams.htm>.

Phishing Scam – A common scam where the scam artist phones the victims, claiming to be from a government agency, and requests personal information such as a Social Security Number to update military records. Never give out personal information over the phone. Hang up and call the agency directly to verify. Visit the financial institution’s web page directly to log into your account. Scam artists may try to trick you into accessing financial information by sending an email that appears to be reputable. Do not click on hyperlinks contained in emails from unknown individuals or businesses. Only provide personal and financial information through an organization’s website if you typed in the web address yourself. Also, ensure that the browser window displays the closed padlock symbol or starts with “https”, which indicates the site is secure. Be cautious of opening attachments and downloading files from emails. These files may contain viruses that may damage your computer security system or provide access to your personal information.

Romance Scam – This scam occurs through Internet dating websites or other social media sites. A scam artist creates fake profiles with attractive photos to gain the interest of potential victims. Over time, the scam artist will begin asking for money for expensive items such as medical or education costs, or to pay Internet or phone bills to continue the relationship. The scam usually ends when the victim realizes they are being scammed and/or stops sending money. You can protect yourself from this scam by being very careful about how much information you share on social network sites. Use search engines to check out your potential suitor’s photos, credentials and other information shared. You may discover conflicting information or that the information was previously used to lure another victim. If you’re unsure about the relationship, talk to a trusted friend or family member who may provide an unbiased perspective.

“Special Deals” – Beware of offers that claim to provide deals or discounts specifically for veterans and servicemembers on a variety of items. Scam artists plot to separate veterans and servicemembers from their hard-earned money by advertising a special deal, when in fact the item may not be available. For instance, a landlord offers a rental property and offers a discount for veterans or military members. In order to secure the property, the landlord requires you to wire money for a deposit. Beware. Some organizations do offer genuine discounts for veterans and servicemembers, but always check those offers out carefully and never wire payments to anyone you don’t know.

Chapter 6

IDENTITY THEFT

Identity theft is a serious crime that can wreck a victim's credit rating and financial well being. It occurs in many ways, but every theft involves the scammer gaining access to your personal financial information. According to the Federal Trade Commission's 2015 Consumer Sentinel Network Data Book, Florida has the third highest per capita rate of reported identity theft complaints. Florida is home to 17 of the top 50 metropolitan areas in the United States with the most identity theft. Servicemembers, their families and veterans are at an increased risk for identity theft because of frequent moves, overseas deployment and transitioning to civilian life.

There are ways to reduce your risk and help you discover if you have been the victim of identity theft. The 3D's of identity protection - Deter, Detect, Defend is your best defense.

Deter –You have to be vigilant about protecting your personal and financial information. Identity thieves will stop at nothing to gain access to it.

Below are some tips to help you deter and safeguard your information from identity thieves:

- Do not carry around personal identification information unless necessary. For example, you do not need your passport unless you are traveling outside of the country.
- Avoid giving others your Social Security Number and do not provide personal information to individuals over the phone unless you initiated the contact.
- Use a locked mail box or post office box for incoming mail. Avoid placing outgoing mail in your mail box with the flag up.
- Use PINs and passwords that are easy for you to remember but difficult for someone else to figure out. You should not use your birth date as your PIN; typically this is the first set of numbers the identity thief will try.
- When creating your online passwords to banking and credit card accounts, use a minimum of 8 characters with combinations of upper and lower case letters and symbols such as an ampersand (&) or percent sign (%).

Detect – Review your credit report on a regular basis. Identity thieves may use financial information acquired about you to open new accounts, leaving you with a mountain of debt.

Below are some tips to help you detect and safeguard your information from identity thieves:

- Regularly review your credit report from one of the three credit bureaus every four months - Equifax, Experian and TransUnion. This will allow you to check for any suspicious charges or possible fraud.
- You can request a free credit report from www.AnnualCreditReport.com or by calling 1-877-322-8228 where you will go through a simple verification process.
- Review your monthly bank accounts and credit card statements. Identity thieves may try to charge small amounts that they hope you will miss. If you notice unfamiliar charges on your accounts contact your financial institution immediately.
- Use a cross shredder to shred your personal information. A cross shredder is better than a vertical shredder because paper is cut into small pieces instead of strips that can be pieced back together.

Defend – While on deployment, servicemembers should request and review their credit report every four months. Identity thieves find it easier to target servicemembers who are deployed overseas than servicemembers in the states. Below are some tips to defend your identity.

- An **initial fraud alert** can be placed on your credit report if you suspect you are or may become a victim of identity theft. This alert advises lenders to take extra precautions before extending new credit in your name. The alert will remain on your report for 90 days, but can be removed sooner at your request. There is no fee to place an initial fraud alert on your credit report. Placing an initial fraud alert also allows you to order one free copy of your credit report from each of the three credit reporting bureaus. For more information, visit <http://www.consumer.ftc.gov/articles/0275-place-fraud-alert>.
- An **active duty alert** can be placed on your credit report while you are deployed. This alert notifies lenders that you are on assignment away from your regular duty station. The lenders should verify your identity before approving new credit. You can designate a personal representative (a spouse or another designated person) who can act on your behalf to verify your identity. The alert remains in place for one year; you can place another alert on your credit report if needed. You or your designated representative can remove the active duty alert sooner than one year if desired. Also, placing the active duty alert on your credit report may reduce the number of pre-approved credit card offers you receive for two years. There is no fee to place an active duty alert on your credit report. For more information, visit <http://www.consumer.ftc.gov/articles/0273-active-duty-alerts>.
- An **extended fraud alert** placed on your credit report means that you have been a victim of identity theft and filed an Identity Theft Report with one of the three credit bureaus. Lenders

must verify your identity prior to issuing new credit in your name. Also, as an added precaution, the extended fraud alert may reduce the number of pre-approved credit offers you receive for five years. This alert will last for seven years, but can be removed sooner. By placing an extended fraud alert on your file, you are able to order two free credit reports within 12 months from each of the three credit reporting bureaus. For more information, visit <http://www.consumer.ftc.gov/articles/0279-extended-fraud-alerts-and-credit-freezes>.

- A **security freeze** restricts access to your credit report, thus preventing new lines of credit from being opened in your name. The Fair Credit Reporting Act allows consumers to place a security freeze on their credit report free of charge. You will need to request the security freeze with each of the three credit bureaus and can do so online, by phone or by mail. A security freeze can be lifted temporarily or removed at any time by contacting each of the three credit bureaus. For more information, visit <http://www.consumer.ftc.gov/articles/0497-credit-freeze-faqs>.

Below is the contact information for each of the three credit bureaus to place a fraud alert on your credit report.

Equifax

www.Equifax.com

P.O. Box 740241, Atlanta, GA 30374
1-888-766-0008

Experian

www.Experian.com

P.O. Box 4500, Allen, TX 75013
1-888-397-3742

TransUnion

www.TransUnion.com

P.O. Box 2000, Chester, PA 19022
1-800-680-7289

To place a security freeze on your credit report contact the three credit bureaus at the numbers listed below:

Equifax- 1-800-349-9960

Experian – 1-888-397-3742

TransUnion – 1-888-909-8872

By using safety measures and good practices you can protect yourself and your personal information from identity theft.

- Check and update your computer software, including Windows operating systems (and others i.e. Mac OS) and your web browser. Viruses and hackers will take advantage of vulnerabilities in your software to attack your computer.
- Install antivirus software to protect your computer and detect and remove viruses. Make sure your software is up-to-date, because new viruses appear daily. Your antivirus software is only as good as its last update. Contact the software vendor directly to access available updates.
- Be cautious of emails that originate from a source you do not recognize. If you do not recognize the sender of an email, do not reply or click links contained within the email. These files may contain viruses that may damage your computer's security system or provide access to your personal information.
- Be cautious of any email or popup messages indicating your accounts are in jeopardy or asking for personal information. Scammers typically use scare tactics to get people to react immediately.
- Never submit your credit card details or other personal information on non-secure websites. Before submitting your user name and password to log on, make sure your browser window displays the closed padlock symbol and the URL that begins with <https://>, which represents a secure website.

The U.S. Department of Veterans Affairs' program "[More Than a Number](#)" educates veterans and their beneficiaries on how to protect themselves from identity theft. The website provides information on how to spot identity theft, ways to prevent it and what to do if you suspect you're a victim. Also, veterans can call a toll free Identity Theft Resource Line at 855-578-5492 for additional information or if they suspect that their identities may have been compromised.

Chapter 7

MILITARY LENDING ACT

The Military Lending Act (MLA) was enacted to protect servicemembers from financial hardship posed by predatory lenders. The MLA ensures servicemembers and your families have the necessary information to make the best possible financial decisions.

What Borrowers Are Covered?

Active Duty Members – Active duty members of the Air Force, Army, Marine Corp, Navy and Coast Guard. As an active duty servicemember or active duty Guard or Reserve member, the MLA caps the interest rate you can be charged at 36% on most consumer loans.

Reserve Members – Serving on active duty under a call or order that specifies longer than 30 days.

National Guard Members – Members are covered who are on active duty for more than 30 consecutive days to respond to a national emergency.

Servicemembers' Dependents – The MLA protection extends to families of servicemembers. This applies to an individual who carries a valid identification card from the active duty servicemember or an individual who the servicemember provides more than half of their financial support for the 180 days prior to extension of credit.

What Are My Rights Under the MLA?

Interest Cap – Military Annual Percentage Rate (MAPR) caps the annual interest rate on covered loans at 36% for the following: interest, fees, credit service charges, credit renewal charges, credit insurance premiums and fees for credit-related products sold in connection with the transaction.

Interest and Fee Disclosure – Lenders must disclose either verbally or in writing the interest rates and fees servicemembers owe before loans are provided. Lenders must also include a disclosure statement to identify covered borrowers.

Roll-Over Loans – Lenders cannot automatically “roll-over” or refinance the same loan, unless the new loan benefits the servicemember. This rule helps to ensure servicemembers are not caught up in a cycle of paying back a more expensive loan every few months.

Mandatory Waivers of Consumer Protection Laws – Lenders cannot require servicemembers to waive state or federal laws, including the Servicemembers Civil Relief Act (SCRA). The SCRA protects servicemembers from being sued while on active duty.

Mandatory Arbitration – Lenders cannot require a servicemember to attend arbitration. This is when an outside party decides how a dispute is settled instead of a court.

Mandatory Allotment – Lenders cannot require a servicemember to set up a voluntary allotment in order to obtain a loan. Paying by allotment can also lead to forfeiting legal protections, such as the ability to dispute a payment.

Prepayment Penalty – Lenders cannot charge a penalty when a servicemember pays back a portion of or all of a loan early.

Consumer Loans –Most types of consumer loans that are subject to a finance charge or payable over four installments are protected under the MLA. These include payday loans, vehicle title loans, refund anticipation loans, deposit advance loans, installment loans, unsecured open lines of credit and credit cards. However, the MLA excludes loans secured by real estate mortgages or loans used to finance the purchase of a vehicle.

Effective October 3, 2016, Senate Bill 626 authorizes the Florida Office of Financial Regulation (OFR) to enforce the provisions of the Military Lending Act (MLA) on a statewide level. OFR will have the authority to deny a license or take disciplinary actions against state-licensed financial institutions, consumer finance lenders, payday lenders and vehicle title lenders that violate any provisions of the MLA. If OFR investigates and determines that a lender has violated the terms or regulations of the MLA, it may take legal actions to seek remedies for the violation.

For more details on OFR’s authority to enforce the Military Lending Act, you may read SB 626 in its entirety at the following link: www.flsenate.gov/Session/Bill/2016/0626/BillText/er/PDF.

Chapter 8

SERVICEMEMBERS CIVIL RELIEF ACT

The Servicemembers Civil Relief Act (SCRA) is intended to help servicemembers who have committed themselves to protecting and securing our freedom and ease the stress placed on their families. The SCRA covers all active duty servicemembers, reservists and members of the National Guard while on active duty and active service commission officers of the Public Health and National Oceanic and Atmospheric Administration. Military servicemembers are protected upon entering active duty and terminated within 30 to 90 days after date of discharge from active duty or death while in military service.

Who Does the SCRA Protect?

Active Duty Members – Active duty members of the Air Force, Army, Marine Corp, Navy and Coast Guard are covered.

Reserve Members – Reservists are covered while on training, but are not covered while on inactive duty.

National Guard Members – Members who are on active duty for more than 30 consecutive days to respond to a national emergency are covered.

Servicemembers' Dependents – Individuals who the servicemember provides more than half of their financial support for the 180 days prior to request relief under the act.

Officers of the Public Health Services and National Oceanic and Atmospheric Administration – Commissioned members are covered.

The law allows servicemembers to suspend or postpone certain civil obligations, so that military servicemembers can devote all of their attention to their military duties. However, assistance is not automatic and the servicemember must consult with their military legal assistance office to request relief.

Below are a few commonly requested provisions:

What Provisions Does the SCRA Protect?

Six Percent Rule – The interest rate on a debt that was incurred by a servicemember, or jointly with the servicemembers spouse, can be reduced to 6% during the period of active duty if:

- the loan was taken out prior to active duty status.
- the interest rate is currently above 6% per year.
- your military service affects your ability to pay the loan at the regular interest rate.

This rate reduction does not apply to new loans or new credit charges that were established or opened while on active duty.

Credit Rating Protection – Lenders cannot deny or cancel credit, change the terms of an existing loan, or refuse to grant a servicemember credit because they sought protection under SCRA.

Relief from Foreclosure and Forced Sales –Servicemembers who are unable to pay their mortgage or meet the terms of a purchase or installment contract due to active duty. The SCRA provides servicemembers with relief such as:

- a postponement of the proceeding, or an extension of the maturity date along with lower monthly payments.
- where foreclosure judgment has already been ordered, a reopening or setting aside of the judgment in order to establish a defense.

A court order is required before real estate can be foreclosed upon or vehicles repossessed if you breach the terms of the contract due to active duty.

Insurance Protection - If a servicemembers' health insurance is canceled while on active duty it can be reinstated without loss of benefits, a waiting period or penalties. Also, while on active duty and two years after, servicemembers' life insurance coverage is protected from lapse, termination and forfeiture for non-payment or indebtedness.

The SCRA provides provisions for servicemembers currently serving on active duty to lower the interest rate to 6% on **ALL** student loans taken out **PRIOR** to their active duty military enlistment and it applies to both federal and private loans. The rate reduction does not apply to new loans or new charges that were established or opened while on active duty. To receive the 6% rate reduction, servicemembers must send a written request to their loan provider along with a copy of their active duty orders. The request can be submitted any time during active duty service or up to 180 days after leaving active duty, and the interest rate **MUST** be applied retroactively for the whole period of active duty service.

Statistics indicate 41% of servicemembers are paying off student loan debt that was accumulated prior to entering the military. Unfortunately, servicemembers do not get the information they need about programs and policies to help them significantly reduce their debt while on active duty.

Chapter 9

EDUCATION

As an active duty servicemember or a retired veteran, you have demonstrated the ability to persevere, meeting the challenges of military service and continuing to focus on your goals.

Accreditation

Before selecting a higher learning institution, be sure to consider the school's accreditation. The type of accreditation an institution holds is very important for a servicemember and veteran to consider when choosing a school. There are two types of accreditation - regional and national. Regional accreditation holds the highest recognition and may not accept the transfer of credits from an institution with national accreditation. Servicemembers and veterans should verify the school's credit transfer policy and choose a school that offers the most flexibility for their situation.

The Principals of Excellence

Executive Order 13607 created The [Principals of Excellence](#) to ensure educational institutions that receive federal funding:

- Provide the total cost of an education program.
- Provide educational plans for all military and veteran education beneficiaries.
- Ensure all new programs are accredited before enrolling students.
- End fraudulent and aggressive recruiting practices and misrepresentations.
- Accommodate servicemembers' and reservists' absences due to service requirements.
- Designate a point of contact to provide academic and financial advice.
- Align institutional refund policies with those under Title IV, which governs the administration of federal student financial aid programs.

The following institutions/programs are not required to comply with the Principles of Excellence: foreign and high schools, on-the-job training and apprenticeship programs, residency and internship programs, and institutions that do not charge tuition and fees.

Servicemembers, veterans and their family members may file a complaint by contacting the appropriate agency listed below:

- Montgomery or Post 9/11 GI Bill – [U.S. Department of Veterans Affairs](http://www.benefits.va.gov/gibill/feedback.asp) at <http://www.benefits.va.gov/gibill/feedback.asp>.
- Federal financial aid such as the Pell Grant and federal loans – U.S. Department of Education at compliancecomplaints@ed.gov.
- Private student loans - Consumer Financial Protection Bureau at consumerfinance.gov/complaint/.

Loan Types

Federal student loans are administered by the government. Interest rates are usually fixed and do not change while students are attending school or repaying the loan. Borrowers may be able to reduce payments if the loan becomes more than they can afford. Also, servicemembers may qualify for forgiveness of any remaining balance on federal student loans after 10 years of on-time qualified payments while working full-time in public service, including military service.

Federal student loans may provide an option for deferment or forbearance of payment for active duty servicemembers serving during wartime or national emergency. Student loans may be discharged upon death of the borrower after the required proof of death is submitted. Acceptable documentation includes the original or a certified copy of the borrower's death certificate.

Borrowers who experience a total and permanent disability (TPD) may have their student loan dismissed. An approved TPD application and documentation certifying the disability will release you from repayment of federal student loans. For more information, visit www.disabilitydischarge.com.

Private student loans are usually provided by financial institutions. Borrowers may not receive the same flexible payment terms and protection offered by federal student loans. The lenders set the terms and approval is based on factors including: credit scores, a co-signer and their credit history, educational institution and program selected. With private student loans:

- Interest rates may vary during the duration of the loan.
- Interest starts to accrue the first day of the loan.
- Fewer options to reduce or delay payments.

The Student Loan Repayment Program is offered by each branch of the Armed Forces to repay all or a portion of a servicemember's student debt. The criteria for repayments of loans vary based on the branch of military service, Military Occupation Specialty (MOS), length of a servicemember's contract and loan status. Some branches offer the program as an enlistment incentive. A servicemember's loan must

be current to receive assistance. For branch eligibility requirements, visit <http://www.military.com/Resources/ResourcesContent/0,13964,44245--,00.html>.

Below is a list of financial aid benefits available specifically for current and former servicemembers to help pursue your education.

Florida Education Benefits

- The Congressman C.W. Bill Young Tuition Waiver Program waives out-of-state tuition fees for all honorable discharged veterans who reside in Florida, including the Reserve and National Guard. The waiver covers up to 110% of the required credit hours for the degree or certificate program that the student is pursuing. For more information, visit <http://www.veteransflorida.org/2016/01/21/veterans-educational-benefits/>.
- The Purple Heart Waiver applies towards the tuition and fees for military veterans who have received the Purple Heart or other combat-related honors that are superior in precedence. Recipients must provide proof of Florida residency to receive the waiver. For more information, visit <http://floridavets.org/benefits-services/education/>.
- Tuition and registration assistance is available for children and spouses of deceased or disabled veterans to attend an eligible college. Dependent children of servicemembers classified as Prisoners of War or Missing in Action may also be eligible for tuition benefits. For more information, visit <http://www.floridastudentfinancialaid.org/SSFAD/factsheets/CDDV.pdf>.
- Priority course registration is provided to all veterans who are receiving GI Bill education benefits at all Florida colleges and universities. Also, benefits will be given to the spouse or dependent children of the veteran receiving GI Bill benefits. For more information, view the Florida Veterans' [Benefits Guide](#) at <http://www.mydigitalpublication.com/publication/?i=253112>.
- Honorable discharged veterans who joined the U.S. Armed Forces prior to completing their high school education may be awarded a State of Florida High School Diploma. For more information, visit <http://fldoe.org/academics/career-adult-edu/veterans-diplomas.stml>.

Federal Education Benefits

- The [Military Tuition Assistance](#) is a benefit paid to eligible members of the Army, Air Force, Navy, Marines and Coast Guard. Each branch has the authority to pay up to 100% of tuition disbursements for their servicemembers. Each branch has established its criteria for eligibility. For specific branch program requirements, visit <http://www.military.com/education/money-for-school/tuition-assistance-ta-program-overview.html>.

- The Montgomery GI Bill provides 36 months of eligible benefits to qualified active duty and veterans who have at least two years of active duty service. Servicemembers receive monthly benefits based on the type of training, years of service, job description, any college fund eligibility and if you contributed to the [\\$600 buy-up program](#). The program allows qualified recipients to contribute an additional \$600 to the GI Bill to receive additional benefits. These benefits are available 10 years following release from honorable active service. For more information, visit the U.S. Department of Veterans Affairs website at www.benefits.va.gov/gibill/mgib_ad.asp.
- The Post-9/11 GI Bill is available to active duty servicemembers and veterans who served a minimum of 90 days after September 10, 2001, or received an honorable discharge due to a service-related disability after serving 30 continuous days after September 10, 2001. Qualified servicemembers may receive up to 36 months of educational benefits, which can be used at colleges, universities, trade schools and for on-the-job training. Benefits are available for 15 years following release from active duty. For more information, visit the U.S. Department of Veterans Affairs website at http://www.benefits.va.gov/gibill/post911_gibill.asp.
 - The [GI Bill Comparison Tool](#) assists servicemembers and veterans with making the best decision regarding their post-secondary education. The tool provides an estimate of eligible benefits and the cost for active duty servicemembers and veterans to attend a specific institution. It also tracks the number of servicemembers who are using the GI Bill at a particular institution and whether it has a veteran organization. For more information, visit the U.S. Department of Veterans Affairs website at <https://vets.gov/gi-bill-comparison-tool/>.
- The [Yellow Ribbon Program](#) works in unison with the Post-9/11 GI Bill to provide up to 100% of the tuition, fees and other educational costs for a servicemember or veteran. Institutions have the opportunity to enter into an agreement with the U.S. Department of Veterans Affairs (VA) to fund tuition costs that exceed the annual maximum for private institutions or the resident tuition and fees for public schools. The institution can contribute up to half the expenses and the VA will cover the other half. For more information, visit the U.S. Department of Veterans Affairs website at http://www.benefits.va.gov/gibill/yellow_ribbon.asp.

Scholarships

Afghanistan and Iraq War Veterans Scholarship

<http://www.afcea.org/education/scholarships/undergraduate/military.asp>

Sponsor: Armed Forces Communications and Electronics Association (AFCEA)

Amount: Variable

Active duty servicemembers or honorable discharged veterans must be enrolled part-time or full time at an accredited four-year college to be a recipient of this scholarship. Also, applicants must be majoring in one of the Science Technology Engineering and Mathematics (STEM) fields listed on the website.

American Veterans (AMVETS) University of Phoenix Scholarship

http://www.phoenix.edu/tuition_and_financial_options/scholarships/institutional-scholarships/prospective-students/amvets-scholarship.html

Sponsor: AMVETS National Scholarship Program

Amount: Variable

A partnership with the University of Phoenix and AMVETS provides scholarship opportunities for active duty and honorable discharged veterans, spouses of active duty or honorable discharged veterans, a child under 21 or full-time student under 23 of an active duty military servicemember or honorable discharged veteran. Applicants may attend on campus or online.

Army Scholarship Foundation

<http://www.armyscholarshipfoundation.org/scholarships.html>

Sponsor: Army Scholarship Foundation

Amount: \$500 - \$2,000

Annually, the Army Scholarship Foundation presents a one-year financial aid scholarship focusing on academic, school and community service activities. Recipients may reapply each year for up to four years.

CSM Virgil R. Williams Scholarship

<http://www.grantham.edu/scholarships/eangus-scholarship/>

Sponsor: Enlisted Association of the National Guard of the United States (EANGUS)

Amount: \$2,000

The recipient of this scholarship must be enrolled at Grantham University, comply with all university admission requirements and be a member of EANGUS.

Gemological Institute of America Scholarship Fund for U.S. Veterans

<http://www.gia.edu/scholarships>

Sponsor: Gemological Institute of America (GIA)

Amount: \$1,500

This scholarship is awarded to veterans, including reservists and National Guard personnel who are pursuing a career in gemology. Applicants must present proof of military service to apply for this scholarship.

George and Vicki Muellner Foundation Scholarship

<http://www.afa.org/informationfor/teachers/scholarshipsteachers/muellnerfoundationscholarship>

Sponsor: The George and Vicki Muellner Foundation

Amount: \$5,000

The George and Vicki Mueller Foundation awards two \$5,000 scholarships to members of the Arnold Air Society and Silver Wing for undergraduate studies.

Military Award Program

<http://www.imagine-america.org/faq/military-award-programming>

Sponsor: Imagine America Foundation

Amount: Variable

The Imagine America Foundation provides funding to support active duty servicemembers, reservists, honorable discharged and retired veterans who are currently enrolled or enrolling into a participating college.

National Military Family Association

<http://www.militaryfamily.org/spouses-scholarships/scholarship-partners.html>

Sponsor: Various Educational Institutions

Amount: Variable

The National Military Family Association partners with various educational institutions to provide scholarship opportunities for military spouses. Registration is required for access to scholarship information.

The American Legion Legacy Scholarship

<http://www.legion.org/scholarships/legacy>

Sponsor: The American Legion

Amount: Variable

The American Legion Legacy Scholarship provides financial assistance to dependent children of active duty servicemembers who died on or after September 11, 2001. Recipients of the award may reapply.

RESOURCES

Consumer Financial Protection Bureau

<http://www.consumerfinance.gov/servicemembers/>

The Consumer Financial Protection Bureau (CFPB) provides resources to ensure consumers are receiving the best possible information regarding financial products and services whether they are applying for a mortgage, choosing a credit card or student loan. The Office of Servicemember Affairs at the CFPB provides assistance for servicemembers, their families and veterans such as: emergency assistance, personal financial management, education and career assistance for spouses, legal assistance and information about the Wounded Warriors Pay Management Program. The CFPB wants to ensure military servicemembers can do their jobs without falling victim to unfair or deceptive financial practices.

Federal Trade Commission

<http://www.consumer.ftc.gov/features/feature-0009-military-families>

The Federal Trade Commission works to prevent fraudulent, deceptive and unfair business practices. The Federal Trade Commission also provides information to help consumers recognize, prevent and avoid scams and fraud.

Florida Department of Financial Services

<http://www.MyFloridaCFO.com/YMM/FinancialFrontlines>

<http://www.MyFloridaCFO.com/ServeSaveSucceed>

Financial Education for Servicemembers - Florida CFO Jimmy Patronis knows the unique challenges servicemembers, their families and veterans can face when managing their finances. Financial Frontlines provides information and resources about credit scoring, budgeting, predatory lending and the Servicemembers Civil Relief Act. A part of the Financial Frontlines initiative is Serve Save Succeed, an online, collaborative community, which provides a platform for active duty and former servicemembers and their families to share tips and stories on budgeting and saving. Here servicemembers, their families and veterans will also find information and resources to help protect, grow and manage finances.

Florida Department of Veterans' Affairs

www.floridavets.org

The Florida Department of Veterans' Affairs seeks to ensure veterans, their families and survivors are provided with earned benefits, quality long-term health care, education and support.

Military Lending Act

<http://www.gpo.gov/fdsys/pkg/FR-2015-07-22/pdf/2015-17480.pdf>

Military families are especially vulnerable to predatory lending, which is why Congress passed the Military Lending Act (MLA) of 2006. This act contains a variety of protections to keep military servicemembers and their families from being harmed by bad loans such as:

- Restrictions that limit lenders from charging more than a 36% Annual Percentage Rate (ARP) for interest, fees and services. Most types of consumer loans that are subject to a finance charge or payable over four installments are protected under the Military Lending Act. This includes payday loans, vehicle title loans, refund anticipation loans, deposit advance loans, installment loans, unsecured open lines of credit and credit cards. However, the Military Lending Act excludes loans secured by real estate mortgages or loans used to finance the purchase of a vehicle.
- Protections that require lenders to disclose the interest rates owed verbally and in writing before a loan is provided. Also lenders must include a disclosure statement in the loan application to identify covered borrowers.

Effective October 3, 2016, amendments to the Military Lending Act (MLA) will authorize the Florida Office of Financial Regulation (OFR) to enforce the provisions of the MLA on a statewide level. OFR will have the authority to deny a license or take disciplinary action against state-licensed financial institutions, consumer finance lenders, payday lenders and vehicle title lenders. If OFR investigates and determines that a lender has violated the terms of the MLA, it may take legal actions to seek remedies for the violation. For more details on OFR's authority to enforce the MLA, you may read SB 626 in its entirety at the following link:

[www.flsenate.gov/Session/ Bill/2016/0626/BillText/er/PDF](http://www.flsenate.gov/Session/Bill/2016/0626/BillText/er/PDF).

Save and Invest

SaveAndInvest.org

Whether on base or deployed overseas, it is crucial that military servicemembers have access to financial education information that enables them to make prudent saving and investing decisions for themselves and their families. SaveAndInvest.org offers a multifaceted program that includes online and on-the-ground training to ensure servicemembers are supported at key financial milestones.

Servicemembers Civil Relief Act

http://www.justice.gov/crt/spec_topics/military/scra_summary.htm

The act provides protections for military servicemembers as they enter active duty status. Some of the most common provisions include: credit card interest rates, mortgage interest rates, mortgage foreclosure and insurance protection.

The Thrift Savings Plan Community - TPS Center

www.tspcenter.com

This site is a resource for all Thrift Savings Plan (TSP) investors who want to take an active role in the management of their retirement savings while learning from and helping others.

U.S. Department of Defense – Blended Retirement System (BRS)

The 2016 National Defense Authorization Act created an improved retirement plan for military servicemembers called the Blended Retirement System (BRS), effective January 1, 2018. The Blended Retirement System combines the traditional retirement pension with a defined contribution to the servicemember's Thrift Savings Plan. Current active duty servicemembers are grandfathered into the current retirement system; however, servicemembers with less than 12 years of active duty service as of December 31, 2017, will have the opportunity to opt-in to the BRS during calendar year 2018. All servicemembers who enter the military on or after January 1, 2018, will automatically be enrolled in the BRS.

Below is information about the current and the Blended Retirement System:

- The current military retirement system pays monthly retirement benefits after serving at least 20 years.
- The Blended Retirement System pays smaller monthly retirement benefits after 20 years, but supplements the amount with contributions to your Thrift Savings Plan account and a mid-career continuation bonus.
- Under the Blended Retirement System, servicemembers who serve at least two years maintain their contributions, the government contributions made on their behalf and the earning on all of the contributions.

For more information, please visit U.S. Department of Defense Military Compensation website at <http://militarypay.defense.gov>.

U.S. Department of Veterans Affairs – Education and Training Guide

<http://www.benefits.va.gov/gibill/index.asp>

The Education and Training Guide assists servicemembers and veterans with choosing the correct institution to ensure it meets their educational needs.

U.S. Department of Veterans Affairs - More Than a Number

<http://www.va.gov/identitytheft/>

More Than a Number is a federal government website that offers a variety of information to educate veterans and their dependents on how to spot, prevent and protect themselves from identity theft.

VeteransPlus

www.veteransplus.org/

VeteransPlus programs were designed by veterans and are delivered by veterans to provide practical financial solutions geared to real life circumstances of current and former military personnel.

