

# Consumer Credit Counseling

## What will I learn from reading this?

If you are struggling with debt, a **consumer credit counselor** may be able to help you. Learn what a consumer credit counselor can do and how you can find one.

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❖ **BEWARE OF SCAMS: Do not pay anyone to consolidate or settle your debts!** Some companies claim they can help you deal with your debt or repair your credit. They may charge you a lot of money and not deliver on their promises.

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## What can a credit counselor do?

A credit counselor can give you a free consultation. The counselor will review your finances and help you understand what options you have for getting out of debt as quickly as possible.

A credit counselor can help you:

- Get rid of late fees and over-limit charges.
- Stop collection calls.
- Lower interest rates no matter what your credit score is.
- Consolidate your bills into one smaller monthly payment.
- Pay off your debt faster.
- Improve your money habits.

## How to find a credit counselor.

The U.S. Department of Justice has a [list of government-approved credit counseling agencies](https://www.justice.gov/ust/credit-counseling-debtor-education-information) on its website, <https://www.justice.gov/ust/credit-counseling-debtor-education-information>.

The National Foundation for Consumer Counseling has a list of member agencies online at [www.nfcc.org](http://www.nfcc.org), or call 1-800-388-2227.

Think carefully before paying for credit counseling or a debt management program. Shop around. Compare a few services and get a feel for how they operate. The credit counselor should spend at least 20 to 30 minutes with you to get a full picture of your finances. An organization may say it is “nonprofit,” but that does not mean its services are free or affordable. Read the FTC’s [Choosing a Credit Counselor](#) to learn more.

### **Should I use a consumer credit counselor?**

If your income and personal property are protected from garnishment, you may not need to repay your debts. Read [Money that Cannot be Taken from You \(“Garnished”\) to pay off a Debt](#), available at WashingtonLawHelp.org.

### **Should I file for bankruptcy?**

It depends. Bankruptcy should be your last resort to deal with your debt. Under federal law, you must get credit counseling from a government-approved organization within 6 months before you can file for any bankruptcy relief. You may find out you have other options from a credit counselor.

### **More resources**

- Debt Relief and Credit Counseling: <https://www.atg.wa.gov/debt-relief-credit-counseling>
- Coping with Debt: <https://www.consumer.ftc.gov/articles/0150-coping-debt#self-help>

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