

## **VISIT [WWW.NDBF.ORG](http://WWW.NDBF.ORG)**

There you will find:

- An up-to-date, searchable registry of DDS companies registered and licensed to do business in Nebraska.
- Detailed explanations of laws dictating the business practices of DDS companies.
- Step-by-step assistance on how to file a complaint against a DDS company.

### **Consumer Beware**

When you apply for a payday advance on the Internet, you may be asked to send personal identification information, your Social Security number and your bank account information. If the Web sites are unsecured, your security and privacy are at risk. You may also be at risk for identity theft.

**The Department cautions consumers about doing business with Internet-based payday advance companies. It is a common tactic for fraudulent companies to claim residence in a state and/or appropriate the name of a legitimate business. Some on-line payday advance companies attempt to bypass state laws and state licensing requirements.**



## **Other Resources**

**Fraud and Identity Theft**  
**Nebraska Attorney General**  
Consumer Protection Division:  
(800) 727-6432  
[www.ago.ne.gov](http://www.ago.ne.gov)

**Telemarketing & Identity Theft**  
**Federal Trade Commission (FTC)**  
Consumer Hotline: (877) 382-4357  
ID Theft Hotline: (877) 438-4338  
[www.ftc.gov](http://www.ftc.gov)

**National Do Not Call Registry**  
(888) 382-1222  
[www.donotcall.gov](http://www.donotcall.gov)



NEBRASKA DEPARTMENT  
OF BANKING AND FINANCE

1230 "O" Street, Suite 400  
Lincoln, NE 68508-1402  
Consumer Hotline:  
(877) 471-3445 (toll-free)  
(402) 471-2171 (in Lincoln)  
[www.ndbf.org](http://www.ndbf.org)

7/2008

## **Delayed Deposit Services in Nebraska**

***What you should know  
about payday advances***



**We are your regulators  
and advocates. Call us  
when you need us.**



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## DDS OR PAYDAY ADVANCES

The Delayed Deposit Services (DDS) Licensing Act was passed by state senators in 1994, giving the Nebraska Department of Banking and Finance the authority to regulate businesses which will hold your check for a fee. By state statute, these businesses are **delayed deposit services**, but are often referred to as **payday lenders** or **payday advance companies**.

The Department investigates and licenses those who operate DDS businesses. Officers, directors, shareholders, partners and members must submit to thorough legal, biographical, financial background checks and a public hearing before they are licensed to operate.

DDS licensees are required to conduct business in an honest, fair, and efficient manner in Nebraska.

## SOME RULES

There are laws governing the business practices of DDS companies in Nebraska, including:

- Companies can only charge up to a maximum fee of \$15 for every \$100 (*divide the amount of the cash you need by .85 to arrive at the amount the check is to be written for — including the service fee*).
- Companies can only hold a check as collateral for a maximum 34-day period.
- Companies can only hold checks for a face amount up to \$500 from a single individual.
- Companies can only charge \$15 for non-negotiable or 'bounced' checks that have been presented to the borrower's financial institution.

As the regulator, the Nebraska Department of Banking & Finance has the authority to investigate complaints, to conduct examinations of these businesses, to ensure compliance with state law, and to assess fines, suspend, or revoke licenses when violations are discovered.



## MORE INFORMATION

DDS transactions, or payday advances, are small, unsecured advances on personal or business checks. They have high fees relative to the size and duration of the transaction.

They are intended to be used as an alternative to standard loans, and a short-term solution when you run short of cash during an unplanned, or emergency situation.

## RATES

Check Amount	Minimum Amount Returned to Maker	Maximum Charge
\$50.00	\$42.50	\$7.50
\$75.00	\$63.75	\$11.25
\$100.00	\$85.00	\$15.00
\$125.00	\$106.25	\$18.75
\$150.00	\$127.50	\$22.50
\$175.00	\$148.75	\$26.25
\$200.00	\$170.00	\$30.00
\$225.00	\$191.25	\$33.75
\$250.00	\$212.50	\$37.50
\$275.00	\$233.75	\$41.25
\$300.00	\$255.00	\$45.00
\$325.00	\$276.25	\$48.75
\$350.00	\$297.50	\$52.50
\$375.00	\$318.75	\$56.25
\$400.00	\$340.00	\$60.00
\$425.00	\$361.25	\$63.75
\$450.00	\$382.50	\$67.50
\$475.00	\$403.75	\$71.25
\$500.00	\$425.00	\$75.00

