

Automobiles

What Can I Do If My New Car Has Serious Repair Problems?

If you have purchased a new car that is having constant, serious repair problems, Nebraska has a “lemon law” that might help you. Make an appointment with a lawyer to see if your situation fits the criteria and what steps you need to take. The law allows the buyer of a new car to get a refund on the purchase price of a new replacement car under the following conditions:

- (1) The car does not conform to express warranties and the problem substantially impairs the car’s use and market value.
- (2) The consumer reports the problem to the manufacturer or authorized dealer during the term of the express warranties or within one year from the delivery of the car to the consumer, whichever is earlier.
- (3) The manufacturer or dealer is unable to repair the car or correct the defect after a reasonable number of attempts. (Reasonable number is four or more attempts to fix the same problem or the car is out of service by reason of repair for a total of more than 40 days.)
- (4) The problem must not be the result of abuse, neglect, or unauthorized modifications of the car by the consumer.
- (5) If the manufacturer has established or participates in a dispute settlement procedure certified by the Department of Motor Vehicles, the consumer must participate in that procedure before becoming entitled under the lemon law to a refund or replacement car.

What Can I Do About Problems With My Used Car?

Used cars are sold “AS IS” with no guarantees or warranties! “AS IS” means you accept the car with all of its problems, whether they are known to you at the time of purchase or not. Therefore, there are several things you should do to protect yourself when buying a used car.

HOT TIPS

Nebraska’s Lemon Law Applies Only to NEW Car Purchases.

Be certain to have a used car checked out by a qualified and trustworthy mechanic of your choice
BEFORE you buy it or put down a deposit.

Used cars are sold “AS IS” with no guarantees or warranties! “AS IS” means you accept the car with
all of its problems, whether they are known to you at the time of purchase or not.

If you own or drive a car you must purchase liability insurance.

Never admit fault, apologize, or offer to pay for damages, even if you think you caused an accident.

Before making a rental car reservation, know all of the charges and consult your auto insurance and
credit card policies regarding what coverage you have.

Can You Give Me Some Tips On Buying A Used Car?

- (1) Investigate and research the kind of car you are considering for purchase. Obtain the NADA Blue Book Value (<http://nada.com/> - choose “consumer” and then “used care values”) and the Consumer Reports Best Buy repair frequency record (<http://www.consumerreports.org/cro/home.htm>). Check the title to see if it is a “salvage” title, which lowers the Blue Book value by one-third to one-half. Contact your insurance agent for the estimated cost of insurance and ask the County Clerk for sales tax, licensing, and registration fees. Also compare the value of any trade-in you may have.
- (2) Decide whether to buy from a dealer or private owner. You can check on a dealer’s reputation through the Better Business Bureau.
- (3) In either instance, be certain to have the car checked out by a qualified and trustworthy mechanic of your choice BEFORE you buy it or put down a deposit. This may cost \$50 to \$100, but it can save you from a bad deal and hundreds or thousands of dollars in car repairs. Review the car’s repair and maintenance records. Look for signs that the auto has been involved in an accident.
- (4) Be wary of high-pressure sales techniques. A deposit to hold the car is usually nonrefundable. Once you sign a contract for purchase, it is binding on you and cannot be canceled. Keep a copy of the contract, and make certain it fully and completely expresses all of the terms of your agreement. Oral representations and negotiations not included in the written contract are not binding. If you have questions, Student Legal Services will review any proposed contract before you sign.
- (5) Shop around for financing. If you cannot afford to pay cash for your car, the NADA Blue Book will give you an estimated loan value so you can tell how much of the purchase price you will be able to borrow. Look for the lowest interest rate on a car loan. Consider your hometown bank or credit union or having your parents co-sign the loan. The highest interest rate and the worst financing deal are usually offered through the car dealer or a loan company associated with the car dealer.
- (6) Obtain insurance before you buy, as the risk of loss passes to you on receipt of the title. Make sure you have a notarized title signed by all persons named in the title. Check to see that all liens are released before handing over the money. Also, obtain a bill of sale that includes the vehicle identification number (VIN), date, purchase price, owner’s signature, and an odometer statement or reading.
- (7) If you purchase your vehicle from a dealer, you have 30 days in which to apply for title and license of the vehicle. Keep your bill of sale with you for proof of ownership during this period. You must license the auto in the county where it is principally stored and kept, except a student may license a vehicle in the county of his or her residence. You will need the title, bill of sale, odometer reading, and proof of insurance to register and license the vehicle.

How Much Insurance Do I Need?

If you own or drive a car, you must purchase liability insurance. The minimum liability insurance required by Nebraska law is \$25,000 for each person, \$50,000 for each accident, and \$25,000 property damage. Failure to carry basic liability insurance can result in the loss of your license and being charged with a Class III Misdemeanor if you are found to be responsible for an accident and cannot pay for the property damage and physical injury suffered by the injured parties. The maximum penalty for conviction of the Class III Misdemeanor of Failure to Prove Financial Responsibility is a \$500 fine and

three months in jail. In addition, you will not be allowed to register your car nor obtain license plates unless you present proof of insurance at the County Clerk's office.

An example best illustrates the importance of carrying automobile liability insurance. Suppose you are driving your car and after stopping at a stop sign you proceed through the intersection. You fail to notice a car approaching from the right. You collide with the car, causing property damage and personal injury to the driver and his passenger. The police arrive on the scene and issue a citation to you for failure to yield. The officer asks you to produce the little card issued by insurance companies proving you have current liability insurance. You have no little card because you have no insurance. The officer issues another citation for failure to prove financial responsibility. In the next few weeks you receive a letter from the Department of Motor Vehicles telling you that your license will be revoked in two weeks unless you post a bond for several thousand dollars. In addition, you are sued by the other driver and passenger. Not only are you now in the position of being fined and possibly sent to jail, but also the civil liability could be so costly that you are forced to consider bankruptcy. Avoiding this type of nightmare is well worth the money spent for a basic liability insurance policy.

Will Liability Insurance Cover The Damage To My Car?

NO, liability insurance will not cover any damage to your car from an accident or from vandalism, etc. There are other types of automobile insurance that you can buy. Ask your agent about comprehensive and collision coverages. Each coverage type, of course, will add to the cost of the insurance premiums.

Why Should I Pay For Collision Insurance?

Nebraska has a comparative negligence law. This means, for example, that if you are in an accident and you are 20% negligent while the other driver is 80% negligent, you can recover 80% of your damages from the other driver and his insurance company. If you carry collision insurance in addition to liability insurance, your own insurance company will cover the remaining 20%. The new law makes it more important for everyone to carry collision in addition to basic liability insurance. Remember that underinsured and uninsured coverage will only compensate you for bodily injury, not property damage.

Do I Need Insurance On A Rental Car?

The National Association of Attorneys General has noted that "the actual cost of renting a car may exceed the advertised rate by as much as 75%" because "advertised car rental rates in print, broadcast, and Internet advertising may not fully or clearly and conspicuously disclose the fees, taxes, and surcharges." So, before making a rental car reservation at that great sounding daily or weekly rate, ask to know all of the charges, including sales taxes, airport taxes, mandatory insurance policies, miscellaneous facility fees, and the loss damage waiver (sometimes called the collision damage waiver).

If you agree to pay the loss damage waiver fee, the rental car company waives its right to recover money from you for damage to the car from a collision or for theft of the car. The waiver does not affect your liability for damage to other vehicles or property.

If your auto insurance covers you for damage to a rental vehicle you will not need to purchase the loss damage waiver. Likewise, some credit cards offer coverage for damage to a rental car if you charge the rental to the card. Therefore, before you book your next trip, consult your automobile insurance and credit card policies regarding what coverage you have. And remember to ask about all of the "additional" charges for the rental car.

Be sure to read the rental contract carefully before signing. Verbal or oral promises by the rental company representative are not enforceable. Make them put it in writing in the contract.

What Should I Do If I Am In An Automobile Accident?

The action taken immediately after an accident may have great impact on the legal outcome. The following suggestions may help you protect your legal position should you be involved in an accident:

- (1) **Stop Your Car:** It is against the law to leave the scene of an auto accident, whether the damage is limited to property or people are injured. You should stop immediately; leaving your car in the position of the accident unless doing so obstructs traffic or endangers life or property. If you have flares or reflectors, set them out to warn oncoming traffic.

If you hit a parked car and no one is in the car you are required to leave a note with your name, address and telephone number in a visible place.

- (2) **Notify The Police And Render Aid:** It is best to notify the police even if the other driver appears cooperative and offers to pay for damage. A police report may be helpful to you later if you have to sue.

If someone is injured, make sure you tell the police when you call, so emergency medical care arrives as soon as possible. Help an injured person by keeping him or her warm and comfortable. Unless you are trained in first aid, it is usually best not to move an injured person. Telling the police to bring medical help might be the best way of helping.

Make sure the officer hears your side of the story. If the officer fails to measure distances and you feel measurements are to your advantage, politely ask him or her to do so. If you have any witnesses who support your version of the facts, have them talk to the officer.

- (3) **Identify Others Involved:** Try to stay calm and observe what is going on around you while you are waiting for the police to arrive. Take notes, make diagrams, and measure distances. Collect names, addresses, and phone numbers of witnesses favorable to you. For example, the little old lady on the corner tells you she saw the other driver run a red light. Be nice to her and get the information you or your lawyer may need to contact her later.

Any driver involved in a car accident is required by law to furnish his or her name, address, driver's license number, and vehicle registration information to the other parties.

- (4) **Do Not Admit Fault Regarding The Accident:** Never admit fault, apologize, or offer to pay for damages, even if you think you caused the accident. Anything you say to the other driver, a potential witness, or the police may be brought out in court later to your disadvantage. Your immediate judgment that the accident was your fault might change when you discover additional factors such as the other driver was intoxicated or violated a traffic law.

- (5) **See Your Doctor Immediately If Injured:** If you think you may be injured even slightly, it is best to see a doctor as soon as possible. The seriousness of some injuries does not become apparent until later. Seeing your doctor immediately serves to document your injury claim and prevent a legally detrimental time lapse between the accident and your report of injury. Do not accept a check or sign a release from liability for property damage or injuries until you have consulted an attorney.

- (6) **Fill Out And Send In Accident Report:** If an auto accident results in injury or more than \$1,000 property damage, you are required by law to complete and file an accident report within 10 days of the accident. A police officer usually provides the form at the scene of the accident. Accident report forms can also be obtained from the Lincoln Police Department

(<http://www.lincoln.ne.gov/city/police/stats/acc.htm>), the Department of Motor Vehicles, or the Sheriff's Office. It is a good idea to have an attorney check the report before you send it in. You should also keep a photocopy for your own files. At the same website you can and should obtain a copy of the police investigator's report of the accident.

- (7) Notify Your Insurance Company: Don't delay in contacting your insurance company. Some policies require notification within a certain time or coverage may be denied. If you are not getting satisfactory cooperation from an insurance company, you should consult Student Legal Services or a private attorney.

How Do I Find A Reputable Mechanic For Repairs?

Unless you are required by a car warranty or insurance policy to have your car repaired at a particular dealership or repair place, you should research the reputation of a car repair shop before taking your car there. You can also call the Better Business Bureau (<http://www.lincoln.bbb.org/>) or the Attorney General's Office Division of Consumer Affairs (<http://www.ago.state.ne.us/>) when checking out the reputation of a repair shop.

Ask friends who have the same make of car where they take their car for repair.

Use your sense of human nature: Do these seem like people you can trust?

Some of the unhappiest car repair disputes develop when family or friends are hired to do the work. Make sure the person is capable and equipped to do a good job. Make sure the terms of the agreement are understood and in writing, including price and completion date.

Do I Need An Estimate?

Get an estimate in writing. Ask the repair person to write down the estimated cost of repairing your car including:

- (1) What exactly is going to be done?
- (2) How much will it cost, including parts and labor?
- (3) When will the work be completed?

Once you have an estimate, do comparison-shopping before you hire the repairperson to do the work. Remember that the cheapest estimate may not be the best choice in terms of workmanship and reliability.

What About Repair Contracts?

Beware of contracts presented by the repair shop. If you are presented with a contract by the repair shop when you bring your car in for work, read it before you sign. If parts of the contract make you uncomfortable, discuss it with the repairperson and make changes by crossing out particular clauses. Make sure you limit what you are authorizing the repair company to do by writing the limitations on the contract. For example, you may want to write on the contract, "I do not authorize work on my car exceeding the total cost of \$100." If the time element is important to you, make sure the completion date and time is written on the contract. You may also have to specifically request that the old parts be returned to you.

If you are going to have extensive work done on a car (such as reupholstering your 1965 Porsche), it is best to arrange a meeting to discuss fully with the repairperson the work that is to be done. Take notes and afterward draft a contract that contains the terms discussed. This approach clarifies the agreement for both parties and often clears up potential disputes. After both parties have signed, make copies for everyone and keep the original in your file.

What If I Disagree With The Charges On The Repair Bill?

If precautions have been taken a dispute over repair bills can often be avoided.

However, disputes over repair bills do happen and they often leave the car owner in an inconvenient position because the repairperson refuses to release the car until the bill is paid. Holding a car for repair costs is called an artisan's or repair person's lien. In Nebraska, for an artisan's lien to be valid, it must be filed within 60 days from the date of completion of the work. A car owner who disputes the repair bill and the lien may sue the repairperson in an action for replevin (return of the car) and damages in civil court.

It is of course easier and often cheaper to handle the dispute out of court by negotiating a satisfactory settlement with the repair shop. If you have trouble with the person you are dealing with, ask to talk to his or her boss, or the manager or owner of the shop. Negotiate when you are not angry.

In many cases, the two parties need help in negotiating a solution. Mediation is a process in which a neutral person trained as a mediator sits down with the parties and helps them find a solution. In Lincoln you can contact The Mediation Center by calling 441-5740. The mediator will contact the other party to find out if the person or company is willing to try mediation. Reaching a solution through mediation is usually much quicker and cheaper than going to court.

If you cannot negotiate or mediate a settlement, you may need to consider the possibility of a lawsuit. Claims exceeding \$2,700 cannot be brought to [Small Claims Court](#).

Credit Issues

CREDIT CARDS

How do I apply for a credit card?

Applying for a credit card is an easy process. As a college student, you may feel overwhelmed by the abundance of credit card offers suddenly appearing in your mailbox. Although you may not be making lots of big purchases, card issuers want you as a client for an increased likelihood of retaining your business down the road. So take your time as there are many offers to choose from.

Make sure you know the interest rate and look for the lowest rate you can get. Many companies offer good deals for college students just starting out. If you can't figure out which offer is best for you, ask your parents, or a trusted person with a good credit history for advice. Chances are you can't go wrong with a well-known and respected company. Remember to carefully examine the fine print of credit card offers.

What if a credit card company refuses my application because of my race or gender?

A credit card company should never refuse an application based on race or gender. The Equal Credit Opportunity Act (ECOA), a federal law, protects against such discrimination. The ECOA makes it illegal for any creditor to "discriminate against any applicant with respect to any aspect of a credit transaction on the basis of sex or marital status."

Can A Credit Card Company Discriminate Against Me Based On My Age?

The law also protects against discrimination based on age. However, if an applicant is not old enough under state law to sign a binding contract age may be considered. In Nebraska, all persons under 19 years of age are considered minors for purposes of contracting. Since the age of an applicant has

economic consequences the law permits creditors to consider certain age related information such as how long until you retire or how long your income will continue.

Can A Credit Card Company Discriminate Against Me Based On My Marital Status Or The Fact That I Receive Public Assistance?

The Equal Credit Opportunity Act (ECOA) does not allow creditors to ask about your marital status unless it is a joint account, or it is based on spousal income, or if residency is in a community property state, which Nebraska is not. Creditors cannot turn your application down solely because you receive public assistance, child support or alimony as sources of income.

What Does The Equal Credit Opportunity Act (ECOA) Require?

The ECOA requires creditors to notify an applicant of its acceptance or rejection within 30 days from receipt of the application. If your application is rejected you have a right to request a written response as to why your credit application was denied. The creditor must respond with the specific reasons within 60 days

If you believed that you have been discriminated against, cite the ECOA law to the creditor. If that fails, consider contacting the Federal Trade Commission to file a complaint. For more information about how to file a complaint, check out <http://www.consumeraction.gov>, www.ftc.gov, or call the toll-free number, 1-887-FTC-HELP.

How do I establish a credit history to show that I am financially responsible?

As a college student, you may not have had many opportunities to establish credit. You may begin to build credit by opening a checking or savings account and keeping the accounts in good standing by avoiding overdrafts. If you have rented an apartment for a length of time and have a good history of paying your rent on time then you could see if your landlord would be willing to serve as a credit reference for you. You can also apply for a department store credit card, but be sure to pay the bill each month. Otherwise the purpose of showing your responsible use of credit cards will be defeated.

How do I explain to my card issuer that my card is lost or was stolen?

Call the issuer immediately after you realize what happened. Most companies have 24-hour access. The creditor will most likely ask you questions such as:

- (1) When did you discover the card was lost or stolen?
- (2) Where were the cards when you last saw them? (purse, wallet, at home, etc.)
- (3) What other credit cards are also missing?
- (4) Have you reported the incident to the police?
- (5) Any other relevant information you may be able to offer.

Try to save the receipts from the purchases you make with your credit card, so that if it is stolen or lost, you will have proof of the purchases that were actually yours.

What obligations does a credit card company have when my credit card is stolen?

As a credit card holder you are protected by the Consumer Protection Act which includes more detailed consumer provisions in the Truth in Lending Act. The Truth in Lending Act (TLA) covers specific areas of card issuance and liability for lost or stolen cards. Unless you apply for a credit card federal law prevents an issuer from giving you a card. Cards can only be issued if you apply for a new card or if you renew your old credit card.

If My Card Is Stolen Will I Have To Pay For Purchases Made By The Thief?

Under the Truth in Lending Act (TLA) cardholders can only be liable to a card issuer for a maximum of \$50 if your card is stolen and used by someone else. Once you notify the issuer, you are no longer liable for any further transactions completed with your stolen card. The \$50 charge is only incurred if the

stolen card is used illegally before you notify your credit card company. The card issuer has the burden of proof of showing any purchases were authorized by you if you claim your card was stolen.

DEBT CRISIS

What is a collection agency?

A collection agency collects debts owed by consumers. As a consumer you are responsible for paying your bills on time. This is a serious responsibility. It is important to understand that loans and bills must be repaid. Legal protections such as the Fair Debt Collection Practices Act (FDCPA) exist to govern the actions of collection agencies.

What is the Fair Debt Collection Practices Act?

The FDCPA defines tactics that are illegal for collection agencies to use. This federal law defines how collection agencies will inform you that you will be sued if a debt is not repaid. Collection agencies are not allowed to use methods that harass or deceive you. This act applies to debts owed for personal, family or household expenses and includes car loans, mortgages, credit card accounts and medical bills. <http://www.ftc.gov/os/statutes/fdcpa/commentary.htm> = Fair Debt Collection Practices Act (FDCPA)

What Qualifies As Harassment By A Collection Agency?

Debt collectors cannot call you before 8 a.m. nor after 9 p.m., nor at your place of work. Debt collectors cannot use profanity or threatening language. Debt collectors cannot publish your name as a deadbeat in the newspaper. Debt collectors cannot contact others (employers, teachers, family) to pressure you into paying your debt. However, third parties can be contacted in order to find out your address or phone number.

For more information, try one of these websites:

<http://www.consumeraction.gov/> = Federal Citizen Information Center (FCIC) consumer action website;

<http://www.pueblo.gsa.gov/> = FCIC homepage;

<http://www.credittalk.com/> = sponsored by Mastercard.

How Do I Stop A Debt Collector From Contacting Me?

Write a letter to the collection agency asking the debt collector to stop contacting you. The agency may not contact you again once the letter is received except to confirm that no further contact will occur or to notify you that you may still be sued.

What Can I Do When I Feel Harassed?

If you think the collection agency is harassing you or using threatening methods and making false statements get legal advice or file a complaint. Complaints can be filed with the Nebraska Attorney General's Office by calling 402-471-2682 or toll-free, 1-800-727-6432. You can also visit the attorney general's website at <http://www.ago.state.ne.us>. Complaints can also be filed with the Federal Trade Commission at its website, www.ftc.gov or toll-free, 1-877-FTC-HELP. A collection agency that uses illegal collection methods can be sued in state or federal court. If you win you may recover money damages, court costs and attorney fees.

What If I Cannot Pay My Bills?

Contact the creditor. Always take this step before you miss any payments. Try to arrange a payment plan with the creditor for smaller amounts, at least on a temporary basis. Many creditors prefer accepting smaller payments, rather than turn the account over to collection, especially if you explain the problem and make arrangements before the account becomes delinquent.

How Does A Creditor Collect Money From Me Without Using A Collection Agency?

A creditor can repossess property on which the creditor has a lien or security interest. Otherwise, a creditor can make a bad credit report to a credit bureau regarding an unpaid debt, which may cause you problems obtaining a loan. In addition, the creditor may sue you in court.

How Can I Defend Myself?

If a creditor attempts to repossess property, contact a lawyer immediately. If a creditor makes a bad credit report and you dispute the debt you can defend yourself by initially writing a letter to the credit bureau explaining your side of the story.

What If The Creditor Sues Me?

If you are served papers or receive notice of a lawsuit by certified mail, contact a lawyer immediately. You will need to have a lawyer draft a response to the lawsuit within thirty days of you being served. If you ignore the lawsuit it will not go away. The court will award a judgment against you without considering your defenses. Once the creditor has this judgment from the court it might be possible for the creditor to garnish your bank account or attach your wages or nonexempt property.

Can The Creditor Repossess My Car Or Laptop?

If you borrow money to purchase a product such as a car, a bank or loan company may take a lien or security interest on the product. If you fail to make one or more installment payments the bank or loan company may be able to repossess that product. Article 9 of the Uniform Commercial Code sets forth laws governing repossession and the sale of repossessed property. There are limits on what a creditor can do to repossess a product from you. For example, a creditor may not break into your garage to reclaim your car. If the repossessed property is sold at a private or public auction to satisfy your debt to the bank, you must receive proper notice of the sale and the sale must be commercially reasonable. If the proceeds from the sale of the product are not enough to satisfy the debt the bank might be able to sue you on the remaining debt. If you run into financial difficulties and anticipate a problem in making payments get legal advice.

Where Can I Get Help Managing My Credit?

If you feel like you are sinking under a mountain of debts credit counseling is available. The Consumer Credit Counseling Service of Nebraska (CCCS Nebraska) has a branch in Lincoln at 1001 South 70th Street, Suite 200, and can be reached by telephone at 402-484-7200 or toll-free at 1-877-494-2227. The service's website is <http://www.cccsn.org/>. Counselors assist people in sorting out debts and working out payments with creditors. Developing a budget with a realistic plan to pay debts could help you avoid bankruptcy.

How Do I Know When To File For Bankruptcy?

Filing for bankruptcy should always be your last resort. The federal government recently enacted the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BAPCPA). Under this act, you are required to undergo credit counseling from a government-approved organization within 6 months before you file for bankruptcy. The counseling can take place in person, online, or over the phone and lasts about 90 minutes. It may cost around \$50, but the fee can be waived in certain circumstances. It is essential to seek counseling with an approved organization. A listing of approved organizations for Nebraska can be viewed at http://www.usdoj.gov/ust/eo/bapcpa/ccde/cc_approved.htm#NE. Note: CCCS Nebraska is a government approved counseling agency.

When bankruptcy is your only option consult an attorney to assist you in the process. There are three types of bankruptcy, Chapter 13, Chapter 7, and Chapter 11.

Chapter 13 Bankruptcy allows you to repay a portion of your debt through a monthly payment plan, which is monitored by a Trustee.

Chapter 11 Bankruptcy is similar to Chapter 13 because it requires you to repay a portion of your debt. This is mainly used by businesses and involves larger amounts of debt than Chapter 13.

Chapter 7 Bankruptcy discharges debts without payment. Some debt cannot be discharged such as taxes, child support and alimony. Student loans cannot be discharged unless extreme hardship is shown, such as disabling illness and five years has elapsed since the loan became due. Under BAPCPA Chapter 7 filings can only be made once every 8 years.

Am I Allowed To Keep Any Property?

Certain property is exempt and cannot be taken from you. The homestead exception may allow you, if you are the head of the household, \$12,500 of equity from your house. You also may claim a personal property allowance of \$2,500. These exemptions do not protect personal property that has a lien or security interest on the property. You are also allowed to keep \$1,500 in personal possessions such as necessary clothing, kitchen utensils, and furniture, \$1,500 in tools and equipment and six months worth of supplies and fuel to support you and your family.

What Are The Consequences Of Filing For Bankruptcy?

The filing remains on your credit report for 10 years, so it could be difficult to get low credit rates or rent a home. Bankruptcy filings are public records so your credibility and reputation may suffer. You may lose some of your property.

If I Reach The Point Of Filing For Bankruptcy How Can I Ever Repair My Credit?

Before you reach the point of filing for bankruptcy you must seek credit counseling. If the credit counseling service creates a debt repayment program for you this action will most likely not be noted on your credit report. If it is reported it will still not look as serious as filing for bankruptcy. Once bankruptcy is on your report it will be more difficult and expensive to obtain credit.

Rehabilitating your credit is a slow process. You should start by making small purchases with your checking or savings account that you know you can repay. Eventually you can move onto borrowing money from a lender or a creditor.

Health Care For Unl Students

What Is The University Health Center?

The University of Nebraska has a University Health Center (UHC) located on campus that offers health care to students at subsidized rates including free primary care visits. You must carry 7 or more credit hours to use UHC. If you carry 6 or fewer credit hours you can still use UHC if you pay the facility fee which last year ran \$108.97. For more information on UHC go to www.unl.edu/health/Services

You need health insurance coverage in addition to the subsidized health services offered at UHC because most health care costs will not be covered by UHC.

Why Do I Need Health Insurance?

A student not carrying health insurance can suffer devastating financial consequences if fate deals out a major health problem. After a health problem arises it is more difficult to get insurance coverage because the insurance companies may classify your health problem as a “pre-existing condition” and exclude it from coverage.

How Can I Get Health Insurance?

Find Out If You Are Insured Through Your Parents Policy. About 80 % of UNL students are insured through their parents' health insurance policy. For example, through the Blue Cross and Blue Shield plan provided to UNL employees, the employee's child can be insured up to the age of 24 years as long as you remain a full time student (12 hours a semester for undergraduates, 9 hours for graduates). Different insurance companies have different policies concerning how long an insured's child can get coverage, but it is usually one of the best and cheapest ways to get health insurance.

Student Health Insurance. If you can't get coverage through you parents' policy, a student health insurance plan is offered through the University Health Center by the Chickering Group. The annual premium for 2006-2007 is \$1,094. To find out more about the Chickering UNL student health insurance plan, go to www.chickering.com or call the Student Health Insurance Coordinator at (402) 472-7435.

UNL Graduate Assistants. If you are awarded a graduate assistantship at UNL you will also be offered partially subsidized health insurance for yourself and your dependants. If you don't want this health insurance you must complete a waiver form within 14 days of the start of each semester. If you have dependants that you want covered you must contact the UHC business office and make arrangements.

International Students. International students studying at UNL are required to carry UNL Student Health Insurance unless proof of insurance from an outside source is provided. International students are required to submit a waiver of health insurance and proof of outside insurance within 14 days of the beginning of each semester at UNL.

Keep the Health Insurance You Previously Had. The Consolidated Omnibus Budget Reconciliation Act (COBRA) allows you to temporarily continue the health insurance coverage you had with a previous employer. You may also be eligible for health insurance through COBRA if you lost your group coverage due to a death, divorce, or loss of your status as a dependant child.

If you keep your health insurance through COBRA you must pay the entire premium yourself instead of sharing it with the employer as before.

If you become eligible for health insurance through COBRA you must be given at least 60 days to decide whether you want to buy the coverage. The coverage usually only extends for 18 months if you are a former employee and for 3 years if you are a child or ex-spouse of the former employee.

Comprehensive Health Insurance Plan (CHIP). If you are having trouble obtaining or affording health insurance coverage through any of the previously mentioned methods check out CHIP, a nonprofit program created by the Nebraska Legislature for the purpose of providing health care coverage at an affordable price without restrictions. Premium charges are based on 135% of average standard health insurance rates. Premium charges for children are set at 50% of the standard rate. Find out if you are eligible for CHIP by visiting the web site at www.nol.org/home/ndoi or call (402)471-2201.

Identity Theft

Information for this Student Legal Services Website was created using many sources, including: www.consumer.gov.idtheft; <http://www.ndbf.org/consumers/consinfor.shtml>; <http://www.lincoln.bbb.org/>; www.fdic.gov/consumers/privacy/criminalscover/index.html; www.AnnualCreditReport.com; <http://www.ftc.gov/os/statutes/fcra.htm>.

I've Heard Of Identity Theft, But What Exactly Is It?

Identity Theft is when your personal identification information (social security number, drivers license, credit card number) is stolen by someone who uses your information to do just about anything. Identity thieves are known for purchasing new homes, applying for car loans, and opening up credit card accounts in the name of another person. Thieves have emptied out the savings accounts of victims

before the victims have even realized a stranger is accessing his or her personal identification information. At its essence, identity theft involves someone trying to impersonate you by using your personal information without your authorization.

Who Are Victims Of Identity Theft?

Anyone with some form of valid and unique identification is an automatic target for identity theft. Elderly citizens are often a target for identity theft because thieves perceive older citizens as more vulnerable and willing to share private information. If you are concerned about your grandparents or another elderly friend becoming the victim of identity theft, the Better Business Bureau suggests you talk to this person about the dangers of identity theft.

(http://www.bbbnebraska.org/news_olderfraud.html). It's important to remember that victims of identity theft are not just older citizens because identity theft can happen to anyone at anytime.

I'm In College, Saddled With Debt, And Have No Income—I Can't Be A Target, Can I?

As long as you have not reached your maximum credit limit, your credit card can be used for additional purchases. Also, identity theft has other forms of identity theft than just using information for monetary benefits. Someone stopped by the police for violating the law might give your name and address as their own. When it comes time for the court appearance, the judge will order you in contempt for failure to appear and issue a bench warrant.

Wouldn't It Be Easier To Just Grab Someone's Wallet?

Identity theft can also occur as result of your wallet being stolen. Thieves might steal a wallet for the sole purpose of getting access to your personal information, like your credit cards and driver's license because a criminal only needs some of your personal identification information in order to impersonate you. In fact, with modern technology advancements, stealing an identity over the computer is easier than stealing someone's wallet.

What Does Personal Identification Information Include?

Personal identification information includes a person's important documents, such as birth certificates, driver's licenses, and social security cards. It also includes documents like visas, firearm's licenses, passports, government and employment I.D. cards, or basically any other document that can officially be issued to a person. The personal information on these identifying documents can include your name, birthday, address, driver's license number, social security number, work or school identification numbers, debit and credit card numbers. (Source: *Neb. Rev. Stat. § 28-608. 2004 Supp.*)

How Will I Know If And When My Identity Has Been Stolen?

Unfortunately, there are no clear and obvious signs that you have been the victim of identity theft. Most people do not find out they are victims of identity theft until after serious damage has already been done. The best thing you can do is to thoroughly check your monthly bank and credit statements, looking carefully for any unusual purchases or money transfers.

If you have concerns, it is always a good idea to check your credit report. A credit report is a summary of your personal financial information. It tracks the bank and credit card accounts you open, and records if you default on a loan or get your house repossessed. Credit reporting companies keep track of this information and provide individuals with "scores." Companies can check out a person's score when deciding whether or not to grant someone a loan or to sell someone an item requiring monthly payments. Sometimes employers even look at credit reports to ensure newly-hired employees are credible and reliable; therefore, it is very important to maintain a good credit score.

Other signs indicating your identity may have been stolen:

- You receive credit cards in the mail that you didn't apply for.

- You don't receive regularly anticipated bills in the mail.
- You are denied credit or are offered bad credit terms despite the solid credit report that you thought you had.
- Debt collectors and businesses call you for repayment of a product or good that you never bought.

How Do I Check My Credit Report?

The Fair and Accurate Credit Transactions Act to allow consumers the ability to access one free credit report annually. To obtain a free credit report, go to www.AnnualCreditReport.com. After obtaining your annual free report, the cost of additional reports is approximately \$10 each.

The Better Business Bureau advises consumers to be suspicious of offers of “free credit report checks.” The Bureau recommends never utilizing a free credit check offered online, by email, or over the phone by a telemarketer. Your best bet for accessing your credit report is to use the site that is the product of the three nationwide consumer credit reporting agencies (which is cited above). More information from the Better Business Bureau on credit reports is available at: http://www.bbbnebraska.org/news_freecreditreport.html.

What Can I Do To Protect Myself From Identity Theft?

- Don't carry your social security card around with you and don't place your social security number on your checks.
- Never use obvious passwords (like your birthday or your maiden name) when creating a password to access private accounts.
- Be extremely cautious about who you decide to give your personal information to and when you decide to give it.
- Copy both sides of every important piece of information in your wallet, so if your wallet is stolen you can quickly compile all your account numbers and know which companies to call to cancel your services.
- An easy way for thieves to get your personal information is just by simply rummaging through your garbage. Invest in a shredder and shred all documents with personal information listed on it. If you don't know whether or not something is personal, take the time to shred it—a few minutes of shredding private documentation could save you months and possibly years of the hassle of dealing with identity theft.

How Can I Prevent Id Theft:

On the Internet?

- Never give out personal information in response to an unknown email or advertisement requesting personal information.
- When sending personal information to a legitimate organization or person, check to see if the site is secure.
- Routinely update your anti-virus software to prevent hacker's from breaking into your personal files.
- Exercise caution when downloading files or opening attachments as some are infected with viruses.

With ATM Machines?

- When punching in your PIN numbers make sure no one is watching. Cover the numbers you type in with your other hand.
- Make transactions in the daylight in a safe neighborhood.
- Only use ATM machines that are located within or affiliated with a financial institution to ensure the machine is legitimate. This way there will be an institution you can contact immediately if your card gets stuck in the machine.

- Keep your pin number in a safe place and don't store it with your ATM card.

Over the Telephone?

- Never give out your Social Security number, credit card numbers, or bank account numbers to someone who calls you asking for them. If it is someone claiming to be from your bank or credit card company, tell them that you will call them back and use a number you already have on file—not a phone number the caller gives you.
- Ask for information in writing from organizations claiming to seek money for a charity.

If I Suspect My Identity Has Been Stolen, Who Do I Contact?

The first thing you should do is place an alert on your credit report. Three different nationwide consumer reporting companies allow consumers to place alerts on reports so companies trying to access your report (to give a loan or line of credit to the thief using your information) will immediately realize you are the victim of identity theft by looking at your report. These companies include:

Equifax: 1(800) 525-6285 (www.equifax.com)

Experian: 1(800) EXPERIAN (397.3742) (www.experian.com)

Transunion: 1(800) 680-7289 (www.transunion.com)

By contacting one of the above companies, you are effectively alerting all 3 companies because each company is obligated to alert the other companies.

What Other Steps Should I Take If My Identity Has Been Stolen?

Cancel your credit cards. Have a list of the credit card companies' toll free numbers somewhere convenient so you know where to call in an emergency.

Call the local police. The Nebraska Attorney General's Office recommends that you inform local police as well as federal law enforcement through the Federal Trade Commission.

(http://www.ago.state.ne.us/content/id_theft_info.html). You may need to file a police report to back up the validity of your identity theft claim to your credit card and banking companies.

The Attorney General also recommends that you contact the *Nebraska Public Service Commission* at (402) 471-3101 to inform the Commission to watch for extra services to be added in your name with utility companies (such as with cable TV, telephone, gas, and water companies), and to cancel any unauthorized services.

If your social security number is being used illegally, then it should be reported to the Social Security Administration. A new number will be issued to you if you are the victim of identity theft, and the *Social Security Fraud Hotline* can be reached at 1(800) 269-0271.

If you need further legal advice, contact UNL Student Legal Services at (402) 472-3350.

How Do I File A Complaint With The Police?

Go to the nearest police station. Around UNL campus, the closest police station is the University Police. The University Police's telephone number is (402) 472-3555 (for non-emergencies), and its address is 300 N. 17th Street, Lincoln, NE 68588. If you do not live close to campus or would rather file your complaint at a different police station, then local law enforcement can be reached by either calling the Lincoln Police Department (402) 441-7204 or the Nebraska State Patrol (402) 471-4545.

I Am In The Military, What Can I Do To Protect Myself If I Get Deployed?

Deployed members of the military can add an "active duty alert" onto credit reports, which last one year. If you are deployed for over a year then it is necessary to put another alert onto your report.

What Is The Government Doing To Protect Consumers Against Id Theft?

The State of Nebraska has enacted the *Personal Identity Defense Act* to define this crime. The act sets forth varying punishments for criminals, including that restitution be made to the victim (which is essentially re-paying the victim for the stolen goods). (See *Neb. Rev. Stat. § 28-608*, Supp. 2004).

The Attorney General has a Consumer Protection Division to handle consumer scams faced by Nebraska citizens. The Attorney General's office can be accessed at http://www.ago.state.ne.us/content/id_theft_info.html and by telephone at (402) 471-2682 or toll free at 1(800)727-6432.

Under the Fair Credit Billing Act consumers are only required to pay up to \$50 for fraudulent charges on a credit card account.

What Are Some Scams That Are Out There?

- **Phishing Scam**: “phishers” send bogus emails or pop-up ads pretending to be a legitimate business such as your bank, Internet service provider, or governmental organization. They ask you to “confirm” your personal account information by going to a website that looks like a company's real website.
- The Nebraska Crime Commission warns citizens against the Jury Duty Scam. A scammer calls acting as a court employee and tells you that you failed to report for jury duty. When you say that you never received the notice of an obligation to be on a jury, the scammer will ask you to “verify” your identity by giving your social security number or other private information.
- The Nebraska Department of Banking and Finance cautions citizens about emails advertising “payday cash lenders” who claim to offer overnight cash advances for your paycheck in order to get you to reveal your personal information.
- Nigerian Scam Letters: These letters claim to offer you an opportunity to enter into a “confidential business arrangement” that will result in millions of dollars going into your bank account—provided you reveal your personal information to the company.

With All These Scams, How Do You Know What Businesses To Trust?

Trust your gut. If you feel like someone is asking too much personal information over the Internet or by telephone, then don't give them any information about yourself. A legitimate company or governmental service is fully aware of the risks of Identity Theft and will understand your concerns and should provide some verification or means of assurance. If the information seeker continues to be persistent, discontinue the call or don't answer the email.

Call the Lincoln Better Business Bureau to check on the company at (402) 436-2345. The local BBB serves only Nebraska, South Dakota, and southwest Iowa. For companies located elsewhere in the nation, contact the National Better Business Bureau at <http://www.bbb.org/>.

Travel Fraud -- Spring Break or Otherwise

How Does A Typical Scam Work?

Most scams operate by slick sales tactics promising vacations in paradise in hopes of taking advantage of an unsuspecting consumer. Some common scams are:

Total Fraud: A company from out-of-state or from a different country runs a scam where you lose all your money because the proposed trip was completely made-up. Once you realize you have been played you can no longer trace the company for a refund because whatever contact information the company gave was bogus.

Hidden Costs: A trip package advertises itself as all-inclusive. In reality the trip is anything but all-inclusive, and you get hit with extra, unexpected charges. You may be required to bring a second traveler who is charged a high price for the trip. Perhaps your airplane ticket is free, but your hotel ends up being twice the price. Another scam is to charge membership and service fees, hotel taxes, or port charges, which could be up to hundreds of dollars and may not be billed onto your card until after the trip.

Poor quality accommodations: You buy a package deal based on promises of a swanky hotel with ocean-front views and then arrive to find your lodging is dirty or in a dangerous area.

Failure to disclose refund policies: The scammer assumes you will not read the trip agreement, so the scammer includes no refund policy or one that is vague and ambiguous.

Timeshare Offers: A company may offer you a free weekend getaway or a trip to a resort, as long as you agree to listen to a sales pitch about the resort's timeshare opportunities. The proposal may appear to be a good way to get a free trip. However, once you arrive at your destination you encounter highly aggressive sales pitches pressuring you into purchasing a timeshare you never really wanted.

Advertisement Misrepresentations: Ads on the Internet or faxes sent to an office where you are working may try to copy the look or style of a well-known travel company in order to make you falsely believe the advertised company is legitimate.

For more information on possible scams, visit *The Travel Institute* at www.thetravelinstitute.com or call (800-542-4282).

How Do I Avoid Being Scammed?

The best advice is that if an offer sounds too good to be true, then it probably is. Look for these red flags:

Offer at a super low price: Often a low price is offered to college students and then additional charges are piled on to your bill. Companies may add international, credit card, and late booking fees. A company may even require you to pay an extra charge in case the price of gas increases.

Be wary of offers that require you to act fast: Scammers may push you to act quickly before your opportunity flies by or someone else takes advantage of the offer. When a company excessively stresses the limited time offer it may mean the company is trying to get a financial commitment from you before you have time to shop around and make sure the company is legit.

Read the fine print: You should understand a company's cancellation policy before making a commitment. A company might require that consumer disputes are only handled by arbitration in a state other than Nebraska. Although you do not anticipate your trip ending in a legal dispute, you never know what could happen. Once you take the trip it will be too late to argue that the cancellation policy is unfair.

Know your rights. You should be able to cancel a charter package without penalty if a major change was made by the operator. According to the U.S. Department of Transportation major changes include changing a departure or return date, the destination, or the hotel to one not named in the contract. Raising a package price more than 10 percent may also qualify as grounds for cancellation. Go to the Federal Trade Commission's website for more information about avoiding scams at <http://www.ftc.gov/bcp/online/pubs/alerts/brakalrt.htm>.

Can I Be Scammed By A Telemarketer?

Absolutely. Here is how a telemarketer might try to entice you:

Bait and Switch: A telemarketer tells you that you won a trip and then reels you in with a plush travel offer only to later talk you into upgrading your hotel for more money. Then you go on your trip and discover the room is dirty, crowded, and located in a bad neighborhood.

Fly by Night Operations: A telemarketer may call you pretending to be a travel agency and offer you a great travel deal. You make a deposit for the trip, but never hear from the company again.

Be careful when entering drawings: Drawings for free vacations are often placed in shopping malls and grocery stores. To enter the drawing you must give personal information. These are ways for telemarketers and Internet companies to collect your personal information in order to contact you in the future with potentially bogus trip offers.

Is it smart for my friends and I to book our airline tickets with a charter company?

Charter companies are similar to typical airlines, but do your research because charters have some different rules that may end up ruining your trip. Below are examples:

A charter flight can be cancelled by the company for any reason for up to ten days before the trip.

A charter company might be able to raise the prices up to 10% after you sign up.

The charter company may overbook Spring Breakers to make more money and include a contract provision allowing it to delay return flights for up to three days without letting you know ahead of time. You may be stuck in your vacation destination waiting for a flight.

Make sure the charter is registered: Write a letter to the U.S. Department of Transportation, Office of Consumer Affairs in Washington, D.C. Include the operator's name and ask to check the charter company's registration. You can also call the Department of Transportation Public Charter Licensing Division (202-366-2396) to confirm the charter company is licensed. For more information on charter flights, go to <http://airconsumer.ost.dot.gov/publications/charters.htm>.

The Federal Trade Commission's website also discusses charter flights at www.ftc.gov/bcp/online/features/travel.htm.

Should I Plan My Own Vacation Or Should I Book With A Travel Agent?

Advantages of using a local travel agent: If something goes wrong with your travel plans it is easier to hold a local travel agent accountable, including filing a lawsuit if necessary. An out-of-state travel company can disappear without a trace after they have your money. Ask your friends and family if they know a good travel agent in the area.

Advantages of planning your own vacation: You can find websites that sell plane tickets in packaged deals including hotels and car rental. Before purchasing any items be sure you know the website's rules about changing flight times or dates, cancellation policies and other costs.

Be careful when buying a package deal from an unknown website. Call the resort or hotel at your destination and check to make sure those gorgeous Internet photos are current and display the actual location where you are staying. Another useful idea is to call your destination's local Chamber of Commerce.

What Is The Best Way To Pay For A Trip?

Use a credit card whenever possible. The Fair Credit Billing Act gives you 60 days from the date you receive your bill to contest a charge. Read your credit card agreement -- some credit cards offer even more time to contest a charge. If you realize you are the victim of a scam and act quickly you can dispute the charge and avoid losing your money.

Avoid paying in cash. If you must pay in cash demand a receipt for proof of payment. Paying with a credit card might mean paying interest charges, but it offers you the most protection if something goes wrong -- you can contest the charges.

Where should I report a travel scam?

Local Resources: Contact your local law enforcement first. In Lincoln contact the Lincoln Police Department at 441-6000 and UNLPD at 472-3555. File a complaint with the Nebraska Attorney General's Consumer Protection Division -- (402) 471-2682 or toll-free at 1-800-727-6432 or online at <http://www.ago.state.ne.us/>. Call the local Better Business Bureau at (402) 436-2345 or toll-free at 800-649-6814 or file a complaint online at <http://www.lincoln.bbb.org/>.

Federal Resources: You can also report a scam to The Federal Trade Commission online at www.ftc.gov, which accepts complaints, tracks travel fraud and shares that information with consumers. You can also search the web to see if