

The Smart Way to Dig Yourself Out of Debt

By Herb Weisbaum, The ConsumerMan

It's scary to find yourself unable to pay your bills. There's no need to be embarrassed. You are not alone. Millions of Americans are still deep in debt; trying to deal with family budgets that are stretched to the breaking point.

Help is available. In many cases, it's free. You just need to know where to go to make sure you don't get ripped off by an unscrupulous debt relief company that charges a big upfront fee and can make your situation even worse.

(Related ConsumerMan story: Be wary of promises from debt relief companies)

"You owe it to yourself not to delay," says Gail Cunningham, vice president of public relations with the National Foundation for Credit Counseling (NFCC). "Delay only digs a deeper [financial](#) hole. Reach out for help and reach out now."

The NFCC and the Association of Independent Consumer Credit Counseling Agencies (AICCCA) are the two largest organizations representing non-profit consumer counseling services across the country.

"Our goal is to get somebody restored to financial well-being, so they can manage their own personal finances successfully," Cunningham explains.

And here's the best part: NFCC and AICCCA member agencies provide debt repayment plans at no-cost or low-cost.

"We never turn anybody away," says David Jones, president of AICCCA. "Services are based on what people can afford and if they can't afford to pay, it's free."

At AICCCA and NFCC member agencies, if there is a fee, it's usually about \$20 a month or less.

How does credit counseling work? You'll talk with a trained and certified credit counselor who is on your side. They'll look at your income and living expenses. They'll find out about your short-term and long-term goals. They'll help you create a budget and teach you how to prioritize your payments.

"There is no cookie cutter approach. No drive-through counseling," Cunningham says. "The counselor will take as much time with you as you need."

They can negotiate with your creditors to get monthly payments lowered. They can also get late fees dropped or reduced. This can add up to significant savings which allows you to handle all of your obligations and still pay your debt.

If you think you need financial help but aren't quite sure where to start, go to one of these two sites and find a member agency near you.

[National Federation for Credit Counseling](#)

[Association of Independent Consumer Credit Counseling agencies](#)