

FOR IMMEDIATE RELEASE

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Overwhelmed by Debt? PowerPay can help!

In the field of financial resource management, I'm often asked "how much is too much debt?"

We refer to this field often as "Personal Finance" because, truly, everyone's financial story is different and personal to them and to their situation. The Consumer Financial Protection Bureau recommends a debt-to-income ratio below 43 percent. Research shows that those with debt exceeding 43 percent often have trouble making their monthly payments. My answer to the question is a little different. I believe that any amount of debt can be too much if it is causing you or your family stress and concern.

No matter the level of debt, it can be difficult to understand which debt to pay off first.

Utah State Extension has developed a free, online program which will give you the tools to develop a personalized, self-directed debt elimination plan. The program, called PowerPay, helps you discover how you can become debt free. The program will show you clearly how much you can save in interest costs by following your debt reduction plan.

Research shows there are many benefits to being debt free.

- 1) Financial benefits. No debt load frees up your income, may allow for earlier retirement, and gives you less risk of foreclosure or bankruptcy.
- 2) Mental benefits. Without the constant worry of looming debt, you'll likely enjoy less stress, improved mental health and higher self-esteem.
- 3) Physical and relationship benefits. Research has shown that better mental health also improves physical health, lowers blood pressure and may even improve pain. Without the negative emotions associated with debt, you may also experience better relationships at home and at work.

To start your debt-free journey by using the PowerPay tool, visit powerpay.org. For assistance using the program or setting up your PowerPay online account, please contact me by emailing juliesmith@ksu.edu or calling me at 620-874-5337.

For more information, please contact Julie Smith, Family Resource Management and Entrepreneurship Agent, juliesmith@ksu.edu or by calling 620-238-0704.

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