

## PART 2 OF 3

## 'Easy money' translates into financial nightmares

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CANNON AIR FORCE BASE, N.M. (AFPN) -- *Editor's note: This is the second installment in a three-part series about Airmen and responsible financial management.*

While the phrase, "It's only money" is commonly used, Airmen and other military members may face a special vulnerability when it comes to dealing with their finances. Benefits such as medical and dental care, leave and tuition assistance are helpful to servicemembers and their families, but based on current pay grades, it can take several years of career development to build a comfortable cash flow.

Many servicemembers live month-to-month and struggle to pay their bills, according to "Predatory Lending and the Military: The Law and Geography of Payday Loans in Military Towns," a study done by educators Stephen Graves of California State University, Northridge, and Christopher Peterson of the University of Florida.

"Military surveys reveal that nearly one-third of enlisted service members self-report moderate to severe difficulty in paying their bills," according to the study. "Sudden unexpected expenses such as car trouble or legal problems, as well as poor personal financial choices, can all pitch low-wage workers into financial hardship caused by debt."

Life emergencies or difficulty in budgeting, coupled with easy credit from payday loan stores and title cash companies, can lead to trouble for military people who often operate with a low cash flow.



Courtesy graphic

"When Airmen seek to resolve their financial problems with quick fix solutions, it tends to worsen the damage and provide a false sense of relief. Quick fixes often delay the inevitable or actually complicate the situation," said Linda Sapp, a personal financial program manager here and an accredited financial counselor.

But Chief Master Sgt. Gary Ashmore, the former 27th Equipment Maintenance Squadron first sergeant, believes the reasons for borrowing money run the gamut, from true emergencies to the desire to get a date. Very seldom are they emergencies, Chief Ashmore said.

"I've heard of one young man who used to do (payday loans) so he could afford to buy drinks for the ladies at the bar. It's clearly not a good reason," the chief said.

"Wanting it all" is something that can amplify an Airman's financial difficulties, according to Master Sgt. Robert Sobush, 27th Mission Support Squadron first sergeant.

"I have noticed a trend toward younger Airmen trying to have everything they had at home right away here. Some fail to understand their parents' standard of living was higher due to many more years of working," Sergeant Sobush said.

Whether facing genuine emergencies or wanting more than what their standard of living allows, the cost of financial problems can be high for Airmen in terms of their physical, mental and emotional health. The cost can also be high to a career.

"Airmen who have financial difficulties will be less successful in focusing all of their attention on the mission. Most members

who engage one of the downtown financial lenders with the 500 percent interest will be distracted from their job," Sergeant Sobush said.

"The reasons for needing the money in the first place can also distract members from the job, if the member is trying to get furniture for the house or for a new baby," he said. "The lack of money could result in the member reducing the amount of food he or she eats, which would also have an impact."

Mental distraction can also occur due to missing a payment, Sergeant Sobush said.

Airmen are no longer alone in their plight when they miss a payment.

"The downtown loan agencies have the first sergeant's number and do not hesitate to call. I have even had some places call before the day is over and the payment is due," he said.

Despite whatever feelings Airmen experience when dealing with convoluted financial situations, it is not something they should take lightly, according to Chief Ashmore. He said consequences can range from a letter of counseling to administrative separation from the Air Force.

"No one has the legal authority to demand an Airman to pay a debt; only a judge can do that. But there are administrative actions that go along with financial responsibility," Chief Ashmore said. "While I can't force you to pay your bills, I can hold you to the Air Force standard that you will pay your debts in a just and timely fashion or face administrative action for failure to do so."