

South Dakota Department of Labor & Regulation  
123 W. Missouri Ave.  
Pierre, SD 57501  
[dlr.sd.gov/banking](http://dlr.sd.gov/banking)

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## **Consumers Should Beware of Unlicensed Money Lenders**

PIERRE, S.D. – The South Dakota Department of Labor and Regulation cautions consumers about unlicensed money lenders, both online and in-person.

All lenders providing payday loans, short-term consumer loans, title loans or installment loans to South Dakota residents must be licensed by the South Dakota Division of Banking per SDCL 54-4-52, unless specifically exempt in SDCL 54-4-37.

“Consumer inquiries and complaints about money lenders have recently spiked,” said state Labor and Regulation Secretary Marcia Hultman. “Unlicensed lenders are operating in South Dakota.”

Consumers should confirm a lender is licensed by viewing the current list of licensees on the Division of Banking’s website at [dlr.sd.gov/banking](http://dlr.sd.gov/banking). Any unlicensed lenders offering loans should be reported in writing using the online consumer complaint form.

“Consumers who borrow from unlicensed lenders may have limited recourse if issues arise,” said Banking Director Bret Afdahl. “I encourage consumers to contact our office first and exercise good judgment.”

The Division of Banking is charged with the regulation and supervision of state chartered and licensed financial institutions, to maintain stability and public confidence in state-chartered institutions and to protect public interests.