

## Navigating Financial Impacts of COVID-19

The public health crisis posed by the coronavirus pandemic is an immediate and ongoing detriment to health and economic conditions across the nation. Underserved communities and vulnerable populations have been particularly hard hit as the pandemic exacerbates existing inequities. The pandemic has highlighted the need for expanded access and connections to resource centers to ensure household needs are met during this critical time and beyond. The resources listed below are gathered from external resources that provide tools and resources relevant to supporting Financial Opportunity Center program officers, staff, and clients.

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### Unemployment Insurance

The CARES Act expanded access to Unemployment Insurance to include those who have been fired, laid off, furloughed, experienced a reduction in work hours, are unable to work due to being quarantined, at risk of exposure to coronavirus, or caring for a family member due to coronavirus. Those who are self-employed, including independent contractors, freelancers, and gig economy workers, are also newly eligible. Additionally, the weekly benefit provided in each state has been increased by \$600 through July 31, 2020. Visit this [resource from the Department of Labor to learn more and apply](#).

[A fact sheet from the National Employment Law Center Project](#) that covers unemployment provisions in the CARES Act.

### Credit

The CARES Act provides some enhanced consumer protections. However, at this time, there is not a moratorium on all negative credit reporting. The CARES Act only protects consumers who are approved by their creditor for a forbearance, workout, or similar “accommodation.” For these consumers:

- If the consumer was able to obtain the accommodation while they were still current (i.e., less than 30 days late), their accounts still will be reported as current.
- If the consumer was already delinquent when they received the accommodation, they will continue to be reported with the same delinquency status. Thus, consumers who are unable to get approved for an

accommodation before they fell behind, perhaps because of the reasons described in the next section, will still end up with damage to their credit reports.

- If a delinquent consumer manages to catch up during the accommodation period – hardly likely for consumers facing economic disaster – they can then be reported as current

Many lenders are working with borrowers and are willing to be flexible about providing longer grace periods or allowing missed months without penalties or negative reporting.

If a client is having trouble making loan or credit card payments, contact the lender or card issuer as soon as possible. Many creditors are providing their customers with debt relief, including waived fees and deferred payments. Carefully consider whether a deferred payment plan or increased credit limit is right, as high-interest rates can make these forms of immediate financial relief very expensive, and it could take years to repay.

The National Foundation for Credit Counseling (NFCC) has a **Coronavirus Financial Toolkit** available online. The Consumer Financial Protection Bureau's post, **How you can protect yourself financially from the impacts of the coronavirus**, can help to strategically manage debt and minimize the pandemic's financial impact.

**Protecting your credit during the coronavirus pandemic** is a resource from the Consumer Financial Protection Bureau that outlines steps to manage and protect credit during the coronavirus pandemic. As well as a resource on dealing with outstanding debt, **Coronavirus and dealing with debt: Tips to help ease the impact**.

The Credit Builders Alliance has a response page with **Guidance for Credit and Financial Coaches/Counselors**.

The National Consumer Law Center has a page dedicated to **Consumer Protections** with in-depth resources on Housing & Mortgages, Bankruptcy, Credit Reports, Student Loans, Debt, Utilities, Autos, Older Consumers, and Insurance. As well as major Consumer Protections by **State**.

A blog post on the CARES Act provisions related to credit reporting from Credit.com, **Does the Federal COVID-19 Stimulus Include a Credit Report Moratorium?**

## Housing

If clients are struggling to make rent payments, they should reach out to their landlord to ask them to waive late fees and work out an alternative payment plan. You may find **this sample landlord email** helpful, which was produced by Southeast Louisiana Legal Services. If the tenant and landlord are unable to reach an agreement, contact **211** to locate free legal assistance that can help avoid eviction.

**List from the National Low-Income Housing Coalition with** states/localities that have already or are considering halting evictions in the interim.

**Making Home Affordable** –A joint website run by Treasury, HUD and the Federal Housing Finance Agency providing multiple resources and further information on obtaining housing assistance.

**Who Owns Your Mortgage?** – Find out if Fannie Mae or Freddie Mac owns a client’s mortgage to discuss assistance options and CARES Act applicability.

**Find a Housing Counselor** a list of HUD-approved counseling agencies to get independent advice at little or no cost.

**A CityLab article** covering resources for renters and homeowners.

## **Internet**

**Free & Low-Cost Internet Plans** from the National Digital Inclusion Alliance. All offers are for less than \$20/month. The COVID-19 health crisis has shed light on the need for home internet service, and the large number of American households in all kinds of communities who don’t have it. Some Internet Service Providers have responded with new or improved discount broadband plans, which will only be available for a short time; others continue to offer plans that were created prior to the crisis.

**Access from AT&T is** a low-cost internet plan for qualified applicants.

**Comcast Internet Essentials** is available free for the first two months, and is a low-cost internet plan for qualified individuals and households. New Internet Essentials customers will receive two free months of Internet service for applications submitted by June 30, 2020. After promotion, regular rates apply. For all new and existing Internet Essentials customers, the speed of the program’s Internet service has increased to 25 Mbps downstream and 3 Mbps upstream. Households with outstanding debt owed to Comcast may be eligible for Internet Essentials for applications approved by June 30, 2020.

**Verizon’s Lifeline** is a government assistance program that offers discounts to qualified low-income customers. Verizon offers Lifeline plans for home phone service and Fios Home Internet service.

Additionally, many internet providers have announced that they are waiving late payment fees, increasing caps on internet speeds, and will not disconnect customers for not paying monthly bills on time. If clients have questions or concerns about their internet connection, they should contact their providers for more information.

## Medical Insurance

Millions of individuals, children and teens qualify for free or low-cost health and dental coverage through Medicaid & the Children's Health Insurance Program (CHIP). Learn about **coverage options** for families.

If clients do not have a primary care doctor, contact your state health department or contact a Federally Qualified Health Center. Health Centers can assess whether a patient needs further testing, which may be done over the phone or using telehealth. Individuals may also receive primary health care services at their local health center at a reduced cost or free of charge depending on their economic status. **To find a Federally Qualified Health Center (FQHC) go to <https://findahealthcenter.hrsa.gov/>.**

## Economic Impact Payments (EIP)

The Federal government passed the CARES Act to provide immediate financial relief to struggling families. The CARES Act provides for Economic Impact Payments, which are being distributed by the IRS, to provide \$1,200 to individuals and an additional \$500 for each child under 17 within certain income brackets outlined below. Most will receive their payment automatically, via direct deposit or a mailed check, but millions will have to **take action with the IRS** to obtain their funds.

### DO I QUALIFY?

YOUR TAX STATUS	YOUR INCOME	YOUR COVID-19 PAYMENT
<b>SINGLE/ MARRIED FILING SEPARATELY</b> 	\$0 – \$74,999	<b>\$1,200</b>
	\$75,000 – \$98,999	<b>\$1,200</b> minus \$5 for each \$100 above \$75,000
	\$99,000 +	<b>\$0</b>
<b>HEAD OF HOUSEHOLD</b> 	\$0 – \$112,500	<b>\$1,200</b>
	\$112,500 – \$136,499	<b>\$1,200</b> minus \$5 for every \$100 over \$112,500
	\$137,000 +	<b>\$0</b>
<b>MARRIED FILING JOINTLY</b> 	\$0 – \$149,999	<b>\$2,400</b>
	\$150,000 – \$197,999	<b>\$2,400</b> minus \$5 for each \$100 above \$150,000
	\$198,000 +	<b>\$0</b>
<b>HOUSEHOLDS WITH CHILDREN</b> 	The income limits are established by the filing status above	<b>\$500</b> per child under age 17

## How are payments received?

For those that filed taxes in 2018 or 2019, or receive Social Security benefits, there is no action needed to receive payment. Payments will be issued via:

- Direct deposit into the bank account on file with the IRS or Social Security Administration
- Mailed if there is no bank account on file

**A guide to COVID-19 economic stimulus relief** – Answers the most common questions about the Economic Impact Payments, including how much individuals can expect to receive and when by the Consumer Financial Protection Bureau (CFPB).

**Economic Impact Payment Information Center** – IRS site to determine eligibility

IRS Website for Economic Impact Payments for **Filers** and **Non-Filers**

**Alternative Tax Prep Options** – Resources on free tax filing options including **VITA**, **United Way** online, and others.

**Economic Impact Payments: Partner and Promotional Materials** – IRS resources to increase awareness of EIP availability through social media, posters, and articles to share

**A Toolkit for Partners** – IRS toolkit for those serving EIP eligible populations

## More

**COVID-19 Consumer Resource Law Center** website, written entirely by three of the nation's leading consumer protection law firms provides information on all aspects of finances including: rent, mortgage, credit cards, navigating debt, student and auto loans.

**A searchable resource center from the** National Women's Law Center on a range of topics including: childcare, unemployment, credit protections, and policy recommendations for state and cities.

Visit 211's **COVID-19 Pandemic Resources page**. COVID-19 **Resources from Prosperity Now**, which provides a list of resources to help us all weather these uncertain times.

## Supplemental Nutrition Assistance Program (SNAP)/Food Stamps

Visit the **SNAP Eligibility Page** to learn more about eligibility requirements. To apply for benefits, or get information about SNAP in your state, contact your local SNAP office by **selecting your state on this map** and using the contact information. Each state has its own application form. If your state's form is not available online, you'll need to contact your local SNAP office to request one.

If a client is not already a SNAP recipient but have a food need, they should consider applying for SNAP benefits online today. To be eligible for SNAP in most states, households must demonstrate consistently low bank balances. The threshold for a “low balance” may be higher for households with an elderly (over 60) or disabled household member. As a part of application, in-person interviews are normally required; however, most states are conducting telephone interviews instead of face-to face-interviews for SNAP Quality Control purposes during the COVID-19 outbreak.

### **Information Gathered From:**

**211**

**Center for Responsible Lending**

**Credit Builders Alliance**

**Internal Revenue Service**

**National Consumer Law Center**

**National Women’s Law Center**

**Prosperity Now**

**United Way**