
What to do if You Can't Pay Your Bills Due to a Furlough or Layoff



Financial
Advisors

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Assess Your Current Financial Situation & Budget

If you're having trouble paying your bills, you're certainly not alone and shouldn't feel embarrassed or ashamed.


This is a challenging economic environment as state and local governments nationwide issue shelter-in-place orders and closures of all but essential businesses in an attempt to control the spread of the virus. The side effect of all this, of course, is the loss of jobs and income for millions of people, even if it's only temporary.


So, take a deep breath, and let's dive into what you can do:

 **Assess where you stand financially** by making a list of your expenses, income sources (including unemployment), what you have in savings and other liquid assets

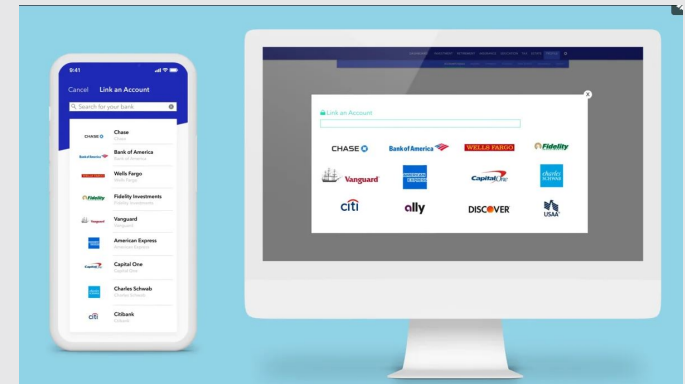
 **Prioritize your expenses**, from most critical to those less important or essential. Start by separating your expenses:

- **Fixed Expenses:** Housing, Utilities, Food, Insurance, Debt
- **Variable Expenses:** Clothing, Hobbies & Entertainment, Personal Care, Recreation etc.

 **Create a new budget** that includes only your most critical expenses and limits unnecessary spending. Use our [free online budgeting tool](#).

 Review cable bills, cell phone charges, memberships, subscriptions, and costly Apps to potentially cut costs

Use Our Free Online Financial Management Tool



[Create My Budget](#)

After using the [Create My Budget](#) link above to register for your free online budgeting and financial management tool, you will receive a confirmation email with instructions to download the Mobile App.



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Quick Tips for Your Financial Wellbeing



Use Your Stimulus Check Wisely

Use your stimulus check to cover basic necessities or bolster your emergency fund. Focus on paying your most critical expenses like housing, utilities, transportation, insurance, and food first, then focus on other debt like auto & credit card loans.



Tap up to \$100,000 Penalty-free from Your Retirement Plans

The CARES Act changed the rules regarding retirement plan withdrawals and penalties for 2020. To learn more about Penalty-Free Withdrawals or Loans of up to \$100,000 from your retirement account click [here](#).



Lower Your Auto Insurance Premium

How many miles you drive each year is an important factor in determining your insurance cost. If you are driving less, you may be able to reduce your premium. Check with your insurance company.

Some insurance carriers are even refunding premiums automatically such as Allstate, State Farm, Geico, and Liberty Mutual.



Eliminate Unwanted Subscriptions

It's easy to lose track of all the subscription services we have signed up for over the years. Explore apps like Truebill and Trim to help identify subscriptions you no longer use or want.



Contact Utility, Phone, and Cable Providers

Contact your utility, phone, and cable companies to discuss possible payment plans, waiving late fees, and other relief that may be available.



Many states have implemented programs that prohibit utility companies from disconnecting services during the COVID-19 pandemic.

What some companies are doing:

Comcast: Offering free access to its Xfinity WiFi hot spots, unlimited data, and not disconnecting internet service or charging late fees for customers who can't pay.

AT&T: Suspending the termination of wireless, home phone or broadband service when customers can't pay their bills.

Verizon: Waiving late fees and suspending service terminations.

National Grid: Suspending service disconnections and other collection related activities.

Eversource: Suspended disconnections and late fees, and is offering flexible payment plans for any past due amount.




Contact Your Credit Card Company


Credit Cards

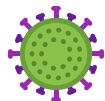
Late payments can have a lasting impact on your credit. If you are not able to pay your credit card bills on time, contact each credit card company and explain how much you can afford to pay, and when you are likely to restart regular payments.

Credit card companies may:

- Waive late fees
- Lower your interest rate
- Allow you to delay or skip payments
- Lower your minimum payment amounts
- Increase your credit limit

 Be sure to inquire whether they will **report** any late or missed payments to **credit bureaus**.

 Ask if they will **refund** any **reward points** you used to book a canceled trip



COVID-19 Related Card Payment & Debt Relief

Some Credit Card Companies are providing COVID-19 Related aid to all Card Holders Automatically. Check with your credit card issuer to find out what specific relief may be available to you.



Check Your Card Options

[American Express](#)

[Navy Federal Credit Union](#)

[Bank of America](#)

[PNC](#)

[Barclays](#)

[SynchroNY](#)

[Capital One](#)

[Truist \(BBT & SunTrust\)](#)

[Chase](#)

[U.S. Bank](#)

[Citi](#)

[USAA](#)

[Discover](#)

[Wells Fargo](#)

[HSBC](#)

Contact Your Student Loan Provider



Student Loans

As part of the CARES Act, Federal Student Loan interest rates are set to zero, and payments suspended from March 13, 2020, until September 30, 2020.

For private and other (non-federal) student loans, be sure to contact your student loan service provider to explore your options to reduce or postpone payments.

Not sure who your student loan provider is? You can find out by visiting the U.S Department of Education [Federal Student Aid](#) website or call (800)433-3243, by checking your latest billing statement, or your [credit report](#).



Tip: If your loan is for the current or upcoming school year, contact your financial aid office directly.

For more information read the [Consumer Financial Protection Bureau's Student Loan FAQs](#) to learn more about student loan repayments and the coronavirus pandemic.



Tip: If you already enrolled in an income-driven repayment plan but are experiencing a change in income, ask your servicer to recalculate your monthly payment.



Student Loan Service Providers

Cornerstone

Fedloan - PHEAA

Granite State - GSMR

Great Lakes

EdFinancial - HESC

MOHELA

Navient

Nelnet

OSLA Servicing

ECSI

Debt Resolution

Contact Your Auto Loan or Lease Provider



Auto Loans & Lease Payments

If you are having trouble making your auto loan or lease payment, don't just stop making the payments. The time to talk to your lender or leasing company is BEFORE you miss a payment.

Most banks, credit unions, leasing & financing companies, don't want to see you default on your loan or lease and potentially face repossession. Many lenders are offering a variety of options to help their customers through this difficult period.

Relief options may include:

- Extending your lease
- Eliminating late fees
- Deferring payments
- Revising your payment plan
- Not reporting late payments to credit agencies
- Extending your warranty

credit karma offers a great list of resources from major lenders on what relief programs may be available to you.





Contact Your Mortgage Lender

If you can't pay your mortgage, or can only pay a portion, contact your mortgage lender right away. The CARES Act offers a variety of protection for some mortgage holders.

The type of mortgage you have may determine what type of assistance is available to you.

The CARES Act put in place protections for homeowners with **federally** backed mortgages. For loans owned by [Fannie Mae](#) or [Freddie Mac](#), and FHA, VA, and USDA loans, you could temporarily delay your monthly mortgage payment, during which:

- You will not incur late fees
- You will not have delinquencies reported to credit bureaus
- Foreclosure and other legal proceedings will be suspended



To verify whether you have a Fannie Mae or Freddie Mac Mortgage:

- Is my loan backed by [Fannie Mae](#) ?
- Is my loan backed by [Freddie Mac](#) ?



To verify whether you have an [FHA](#), [VA](#) or [USDA](#) Loan, look at your monthly mortgage statement or your closing documents if available.

What if your Mortgage is NOT backed by the federal government?

Federal regulators have encouraged banks and mortgage providers to work with borrowers impacted by COVID-19. Contact your mortgage service provider to discuss what options may be available to you.



Your state may also offer mortgage relief options including suspension of foreclosures and other assistance.



Tips for Renters

If you can't pay your rent on time, or at all, reach out to your landlord right away.

The **CARES Act** protects those living in various forms of public housing by providing a temporary moratorium on evictions, as well as late fees for nonpayment of rent for 120 days beginning March 27, 2020.

This moratorium also applies to renters in single or multifamily properties whose landlords have federally backed loans, including FHA, VA, USDA, Fannie Mae, and Freddie Mac

If the property you rent isn't covered by the CARES Act, many states have suspended all evictions and foreclosures due to the pandemic. Check the websites of your state government, state court, or legal aid program for details and updates.





Work with Housing and Credit Counselors to Understand Your Options

If you need additional assistance with your mortgage or other debts these trained professionals provide advice for little or no cost, and they will work with you to discuss your situation, evaluate options, and even help you negotiate with your lenders and servicers.

HUD-Approved Housing Counselors. The U.S. Department of Housing and Urban Development (HUD)-approved [housing counselors](#) can discuss options with you if you're having trouble paying your mortgage loan or reverse mortgage loan. This may also include [forbearance](#) or a modified payment program.

Credit Counselors. Reputable [credit counseling organizations](#) are generally non-profit organizations that can advise you on your money and debts, and help you with a budget. Some may also help you negotiate with creditors. There are [specific questions to ask](#) to help you find a credit counseling organization to work with.

Warning:

Be skeptical of any debt settlement company that promises to help you for an upfront fee.



Source: [Consumerfinance.gov](https://www.consumerfinance.gov)

Explore Opportunities to Earn Extra Income

Look for ways to bring in extra income to help pay your monthly expenses or bolster your emergency funds. Here are some ideas on how to make money from home in isolation during COVID-19.

Sell things you do not want or need:



Turn an old smartphone or tablet into cash with [BuybackBoss](#).



[Decluttr](#) is an online marketplace for selling old textbooks, electronics, cellphones and more—without worrying about online auctions.



Both [eBay](#) and [Amazon](#) offer a variety of programs for selling your unwanted items online.



[Letgo](#) is an easy app download, and even easier to use. Post a picture and set the price of an item you want to sell to local shoppers. User verification and in-app chat functions make letgo a convenient and safe service.

Work from Home Ideas



Explore Gig websites like [Upwork](#), [Guru](#), and [Freelancer](#) which typically list hundreds of tasks you can complete from home to earn extra money.

Here are some popular in-demand skills that you may be able to offer:

- Online Tutoring ([VIPKid](#), [TutorMe](#), [Chegg](#), [Smarthinking](#))
- Narrate [Audiobooks](#)
- Copywriting
- Video Editing
- Coding
- Social Media Management

Other COVID-19 jobs that are in demand now:

- **Grocery Stores:** Kroger, Costco, Safeway, and Albertsons
- **Amazon:** Hiring 100,000 new workers for fulfillment centers
- **Food Delivery Services:** Doordash, Grubhub, Postmates, Instacart
- **Remote Meeting Companies:** Zoom, Slack, Microsoft teams
- **Online Schools:** [Outschool](#) is hiring thousands of teachers

Explore [FlexJobs](#) for thousands of remote, freelance, part-time and flexible jobs.



TAKE THE STRESS OUT OF NAVIGATING THROUGH A **LAYOFF** OR **FURLOUGH** ON YOUR OWN

Call us today at **(800)530-6635** to schedule your free,
no-obligation telephone or virtual consultation

Or [Schedule Now](#)



IN THIS FREE, NO-OBLIGATION CONSULTATION, WE WILL:

- ✓ Discuss your current situation
- ✓ Answer questions you may have
- ✓ Identify opportunities where we may be able to assist you
- ✓ Provide proactive next steps to get you on the right track



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