



7 Things to Know if You've Lost Your Income

This is an uncertain and stressful time for all of us, but especially for those of us who can't afford to pay our bills. Below, seven things to know if you've recently lost your income.

1. You have at least two potential sources of financial help available to you:

- **Expanded unemployment benefits** that cover not only regular employees whose hours have been reduced or cut completely, but also those who are self-employed and independent contractors. You can apply online at <http://www.vec.virginia.gov/>. If you are denied benefits, you can seek free legal assistance from your local legal aid office by calling Southwest Virginia Legal Aid Society at 1-888-201-2772 to apply for free legal assistance.
- **The CARE Act government checks** of \$1,200 per person (plus \$500 for each dependent child) will be issued within a few weeks. Not everyone will be getting these checks, and some people will need to take action to get the check.

2. Try to avoid high-interest loans.

Don't be tempted to take a high-interest loan while you're waiting for your benefits and your CARE Act checks from the government. This may end up making your situation much worse.

3. Courts are closed except for emergency hearings. That means no evictions and no debt collection lawsuits... for now.

The courts in Virginia are effectively shut down until at least April 26. That means no evictions, no debt collection lawsuits ("warrants in debt"), and no garnishments are going to be heard by the court. They can be filed, but no hearings will occur until after the courts reopen. Even if you can't pay your rent right now, your landlord can't try to physically remove you or lock you out without going to court. It's a good idea to let your landlord know your situation.

4. If you can't pay your utilities talk to your utility company.

The State Corporation Commission has ordered the utilities it regulates not to terminate services to customers who can't pay their utility bills during the crisis. Not all utilities are covered by this order. It is best to talk to your utility company if you can't pay.

5. Most foreclosures have been halted.

The federal government has ordered a moratorium on foreclosures on *federally insured mortgages* until May 17. Contact your mortgage holder and a nonprofit housing counselor if you cannot make your payments and to see if your mortgage is covered.

6. Limit access to your bank account.

You may have given authorization to some of your creditors to automatically debit your bank account for payments. Put a stop to this so that you can get control over which creditors are paid first. The CFPB has instructions <https://www.consumerfinance.gov/ask-cfpb/how-do-i-stop-automatic-payments-from-my-bank-account-en-2023/>. You can use your bank's bill pay service to make automatic payments to creditors—this gives you control over starting and stopping those payments.

7. If you have debt, pay it off in the following order (as a general rule):

1. Rent or house payments
2. Outstanding utility bills
3. Food and other basic necessities
4. Car payments
5. Any other remaining debt

If you're facing financial trouble and potential eviction; foreclosure; garnishment; a debt collection lawsuit; or are denied unemployment benefits, Medicaid, food stamps, or other public benefits:

- Call Southwest Virginia Legal Aid Society at 1-888-201-2772.
- Visit: <https://www.swvalegalaid.org/debtcollection> for more information on surviving debt.
- Visit www.valegalaid.org for legal information for people struggling financially and to locate the legal aid office that serves your area in Virginia.