



Assessing Next Financial Steps When Coronavirus Relief Programs End

National nonprofit credit counseling agency Take Charge America offers guidance for Americans still struggling from COVID-19

PHOENIX – (Aug. 11, 2020) – As the government debates additional aid for Americans impacted by the pandemic, many of the initial relief programs have expired or will do so in the coming weeks, leaving many people seeking additional solutions to stay afloat.

“While the government may approve new aid, it’s impossible to say what form it will take or how long it will last,” said Michael Sullivan, a personal financial consultant with Take Charge America, [a national nonprofit credit counseling and debt management agency](#). “That’s why it’s critical to know your options beyond government assistance and prepare for the day when that relief runs out.”

Sullivan offers the following tips:

- **Stay on unemployment:** Regardless of what the feds do, keep filing unemployment claims if you’re eligible. This way, you’ll receive whatever amount your state pays, and you’ll remain eligible for any potential retroactive or new changes made at the federal level.
- **Whittle your budget:** Zero in on necessities such as rent/mortgage, food, transportation and insurance, while eliminating as many non-essential items as you can to free up cash for payments.
- **Dip into your emergency savings:** If you’ve been able to hold off from using emergency savings, now is the time to use it. But dip in slowly, especially if you anticipate an extended cash crunch. Focus on paying for essentials like rent/mortgage and covering the power and water bills.
- **Seek alternative assistance:** Explore other assistance programs such as the Supplemental Nutrition Assistance Program (SNAP), which could free up funds for other bills. Also, research possible aid through your city or community, as well as food banks or nonprofit agencies that provide assistance to those in need.
- **Ask for more help:** Even as federal and state mandates on forbearance, evictions, shutoffs and other actions expire, creditors, lenders, landlords and utilities may still be open to additional hardship help. Ask about possible payment plans or partial payments until your situation improves.
- **Consider a retirement withdrawal:** Under the CARES Act, you can withdraw up to \$100,000 from your retirement savings without an early withdrawal penalty. This may be an option if you’re really strapped for cash, but it is risky. You will have to pay back whatever you withdraw within three years or pay income tax on it.

For additional resources and solutions related to expiring coronavirus relief programs, visit takechargeamerica.org/coronavirus-financial-relief/.

About Take Charge America, Inc.

Founded in 1987, Take Charge America, Inc. is a nonprofit agency offering financial education and counseling services including credit counseling, debt management, student loan counseling, housing counseling and bankruptcy counseling. It has helped nearly 2 million consumers nationwide manage their personal finances and debts. To learn more, visit www.takechargeamerica.org or call (888) 822-9193.

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