

COVID-19 FAQs FOR CONSUMERS

Q: Will my lights and gas be shut off if I owe money on my account?

A: Utility shutoffs have been suspended indefinitely. You still have a legal responsibility to pay your utility bills, and the utility company can continue to bill you for services, but your utilities will not be shut off, even if you cannot pay the amount you owe.

Q: What will happen if I can't pay for data charges on my cell phone or for wifi?

A: The Federal Communications Center (FCC) has asked service providers to take a pledge that:

- They will not terminate broadband or cellular services to individuals or small businesses during the crisis.
- They will waive late fees related to financial hardship related to coronavirus.
- They will open wifi hotspots to everyone.

You can find a current list of companies who have made the pledge here:

<https://www.fcc.gov/keep-americans-connected>

Q: Do I have to pay ATM fees if I can't get to my bank to withdraw money with my debit card? What about late fees on my credit card or overdraft fees on my bank account?

A: As of March 21, 2020, for consumers who have experienced hardship due to the coronavirus, the banking organizations that are regulated by New York State have been directed to:

- Eliminate ATM fees
- Waive overdraft fees
- Eliminate credit card late fees

For banks that are not regulated by New York State, the federal government is encouraging them to work with consumers and to consider waiving fees, but at this point, it is voluntary. Check the following websites for updates: <https://www.occ.gov/news-issuances/bulletins/2020/bulletin-2020-15.html> and <https://www.fdic.gov/coronavirus/index.html>

Q: What if I can't make the payment on my personal loan or my credit cards?

A: As of March 20, 2020, the banking organizations that are regulated by New York State have been asked to give the following help to consumers who have experienced financial hardship due to the coronavirus:

- Provide new loans on favorable terms
- Waive late payment fees for loans
- Increase credit card limits for creditworthy customers;
- Work with loan customers to help them defer (put off) payments at no cost, extend the time to make payments or make other changes to the terms of existing loans which would help the consumer avoid becoming delinquent (behind in payments) or suffer negative consequences, including negative credit agency reporting
- Banking institutions are also required to reach out to customers by app announcements, text, email or in other ways to explain the help that is available.

This is a guidance from NYS and not a requirement. Not all banks are covered by this new guidance. For a list of those that are, go to <https://myportal.dfs.ny.gov/web/guest-applications/who-we-supervise>

Q: If I'm laid off or can't work, what should I do about my bills?

A: Although the state and federal government have enacted laws that reduce or eliminate the penalties for late payments of rent, and on loans or credit cards, they have not eliminated the debts. Consumers have just been given more time to pay or had payments suspended temporarily.

Everyone's financial situation is different. New York City offers free financial counseling to all city residents through its Financial Empowerment Program. This service is now being offered by phone that can help you make a plan on how to deal with any debts you have. To schedule an appointment, call 3-1-1 or book on-line at <https://www.neighborhoodtrust.org/what-we-do/nyc-financial-empowerment-centers/>

At this point, financial counseling is available by phone, however you must complete paperwork on-line (using your phone or a computer) before you can be given an appointment.

Q: What if I owe money on my student loans?

A: Currently, New York State has agreed to stop collecting debt from New York State student loans.

- Payments on federal loans (Direct Loans and covered FFEL loans) are suspended from March 13, 2020 through September 30, 2020. During the suspension, borrowers will not be charged any interest on their loans and the month of a suspended loan payment will be treated as if a loan had been made for purposes of loan forgiveness and loan rehabilitation. The suspension period will result in no negative credit reporting. If you made a payment on the loan on or after March

13, 2020, you can have the payment refunded to you by contacting your loan servicers. Any payments made during the suspension will be used to pay off the loan principal (not the interest) which will reduce the total amount of money owed. Borrowers will be receiving a notice explaining the new policies. **THIS DOES NOT APPLY TO STUDENT LOANS OWNED BY YOUR SCHOOL (SOME PERKINS LOANS) OR FFEL LOANS OWNED BY PRIVATE LENDERS.**

- If you are not sure what kind of student loans you have, you can call your servicer (the company you send your student loan payments to) or go to the National Student Loan Database at https://nsldsfa.ed.gov/nslds_FAP/
- The U.S. Department of Education (DOE) agreed to stop collecting student loan debt for 60 days retroactive to March 13, 2020. If you have had money taken from your wages, a tax refund, or part of a federal government benefit (such as Social Security) to pay for a student loan since March 13, 2020, any money taken will be returned to you. Under the CARES Act, involuntary collection (wage garnishment, reduction of tax refund, offset of federal benefits) of federal student loans was suspended until September 30, 2020.
- For advice on what to do about student loans which are not owned by the DOE, contact the Financial Empowerment Center on-line or by calling 3-1-1. They can help you find out if your student loan is eligible to be discharged (forgiven) or for an income based repayment program (have your loans reduced to an amount you can afford to pay which is based on the amount of income you have). You may be eligible for a discharge if you are disabled, if the borrower has passed away, if your school closed before you could finish your degree, if the school engaged in fraud, or if you are a public servant (work as a teacher in a Title 1 school, or are a state employee, for example).
- For up to date information on federal student loan suspensions and policies, check the Department of Education website at <https://studentaid.gov/announcements-events/coronavirus>

Q: What if I can't make payments on my life insurance or my annuity contract?

A: For consumers who have financial hardship related to coronavirus, effective March 30, 2020:

- The grace period for payment of life insurance payments or fees to prevent a policy from lapsing has been extended to 90 days.

- During the 90-day extension of the grace period, insurers and annuity contract issuers cannot charge late fees or report late payments to credit reporting agencies.
- For payments that are not made during the 90-day period, consumers will be allowed to spread them out in twelve equal monthly installments. This means if you missed payments totaling \$120, the consumer could make up the missed payments by paying \$10 a month for twelve months.
- If the holder of the policy or the holder of an annuity contract has a set amount of time to exercise their rights under the policy or contract, that time period is also extended for 90 days.
- The extension and waiver of fees applies to agreements you have made with a premium finance agency as well.

Q: What if I can't pay my car or homeowner or renter's insurance premiums?

- If the reason you can't pay your car or homeowner or renter's insurance premiums is related to coronavirus, the insurance company has been told to extend the grace period for paying premiums and fees to sixty days.
- Companies also have to waive late fees, and are not permitted to report late payments to credit reporting agencies during the 60-day period.
- The extension and waiver of fees applies to agreements you have made with a premium finance agency (a company that has loaned you money to pay your insurance premium) as well.

Q: What if I don't have health insurance?

- If you have no health insurance, you can get coverage through the New York State of Health, by making an application between April 1st-April 15, 2020.
- If you had insurance through your job, but lost it when you lost your job because of coronavirus, you have 60 days to apply from the day you lost your coverage.
- You can apply for coverage at nystateofhealth.ny.gov, by phone at 855-355-5777, or with the help of a navigator by going to <https://info.nystateofhealth.ny.gov/ipanavigatorsitelocations>

Q: What will happen to my credit score if I can't make payments on my credit card bills?

A; Retroactive to January 31, 2020, until four months after the national state of emergency due to coronavirus is lifted:

- If you were up to date with your payments as of January 31, 2020, and if a creditor has made an accommodation for you due to the coronavirus (such as a forbearance or reduced payment plan), the creditor will report your account as being up to date to the credit reporting agencies and your credit score will not be affected.
- If you were delinquent (late in your payments) as of January 31, 2020, creditors can continue to report your account as having late payments, even if you received a forbearance (your payments were suspended) or settled your debt.
- If your account was delinquent as of January 31, 2020, it will not be reported as delinquent if are able to make payments to bring it current during the period of accommodation.
- These reporting requirements do not apply to an account that has been charged off. Charge off is when the creditor decides it is unlikely the account will be paid, usually after there have been no payments on the account for six months.
- Call the Financial Empowerment Program (a free financial counseling program) at 3-1-1 for more information on how your credit score could be affected.

Q: What do I do if sellers have raised prices because of Coronavirus?

A: New York State has a law that forbids price gouging (charging excessively high prices) for “necessary consumer goods and services” such as hand sanitizer, food, toilet paper during a crisis such as the Coronavirus pandemic. Not all products are covered by the state law, including face masks, however New York City has a temporary law in effect that prohibits New York City retailers from price gouging for face masks and some other products.

If you have been overcharged for an essential product or service (not including face masks), you can file a complaint with the New York State Attorney General’s Office or on-line at <https://formsnym.ag.ny.gov/OAGOnlineSubmissionForm/faces/OAGCFCHome> or by phone at 1-800-771-7755.

If you have been overcharged for a face mask purchased from a New York City retailer, call 3-1-1 to file a complaint with the New York City Department of Consumer Affairs. For or a complete list of items covered by NYC's emergency price gouging regulation, go to <https://www1.nyc.gov/site/dca/media/Face-Masks-in-Short-Supply-Due-to-COVID-19.page>