COVID-19 Relief

The Coronavirus and Indian Country Webinar Series

Presenter: Shawn Spruce
Wednesday, April 8th, 2020
For the week ending March 21st how many people filed for jobless benefits?

- 215,000
- 3.3 million
- 6.6 million
The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides crystal clear directions and guidelines for how benefits will be delivered.

- True
- False
CARES funded benefits will be delivered by

- The federal government
- Tribal governments
- State and local governments
- Banks
- All of the above
How much money does CARES specifically earmark for Indian Country?

- $10 billion
- $18 billion
- $30 billion
2020 CARES Act

• Coronavirus Aid, Relief, and Economic Security Act signed into law March 27th, 2020

• $2.1 trillion federal stimulus package to ease financial fallout of Covid-19 pandemic

• An 880 page work in progress

• Unclear how many features of CARES will be administered and benefits distributed
$2.1 Trillion

CARES Act: Relief Amounts ($ Billions)

- Corporate loans: 454
- Small business loans: 349
- Household payments: 301
- Unemployment insurance: 250
- Tax deferrals and deadline ext.: 221
- Other: 198
- Aid to states: 150
- Hospitals and Vets Care: 117
- Airlines & cargo loans: 32
- Airlines & cargo grants: 29
- Public transit: 25

Source: Wall St. Journal
$10 billion for Indian Country

- $8 billion
- $453 mil
- $1.03 billion
- $200 mil
- $69 mil
- $70-96 mil

Source: House Subcommittee for Indigenous Peoples of the U.S.
4 Main Categories of CARES Act

- Aid for the health care system
- Aid for individuals and families
- Aid for small businesses
- Aid for large businesses
Shawn’s 4 P’s

• Proactive

• Prioritize

• Paper trail

• Patience
Available Benefits

• Direct payments and tax relief
• Expanded unemployment options
• Small business loans
• Student loan relief
• Expanded food and nutrition subsidies
• Flexibility to access retirement accounts
• Expanded emergency and sick leave
• Rent and mortgage relief (non-Cares)
• Utilities relief (non-Cares)
# Direct Payments

<table>
<thead>
<tr>
<th>Filing Status</th>
<th>Adjusted Gross Income (AGI)*</th>
<th>Phase Out AGI</th>
<th>Maximum Base Payment</th>
<th>Additional payment for each qualifying child</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$75,000</td>
<td>$99,000</td>
<td>$1,200</td>
<td>$500</td>
</tr>
<tr>
<td>Head of Household</td>
<td>$112,500</td>
<td>$136,500</td>
<td>$1,200</td>
<td>$500</td>
</tr>
<tr>
<td>Married Couple</td>
<td>$150,000</td>
<td>$198,000</td>
<td>$2,400</td>
<td>$500</td>
</tr>
</tbody>
</table>

*Benefit is reduced by $5 for each additional $100 of AGI until phase out

Example: HOH person with two children earning $117,500/year

\[
\text{Total Direct Payment} = \text{$1,200} - \frac{\text{$250}}{2} + \frac{\text{$500}}{2} = \text{$1,950}
\]
Direct Payments

• Expect a letter from the IRS within 15 days of receiving your direct payment.

• Deadlines to file and pay federal and most state income taxes extended to July 15\textsuperscript{th}, 2020.

• For more information visit:
  
Expanded Unemployment

• 13 week extension to receive unemployment benefits

• Extra $600 per week to existing benefit through July 31st, 2020

• Pandemic Unemployment Assistance for people not ordinarily covered by state unemployment
Unemployment Extension

• Most states pay unemployment for up to 26 weeks but CARES increases the maximum duration of all states to 26 weeks.

• CARES then extends this an additional 13 weeks

• By applying for Pandemic Assistance workers can receive unemployment for up to 39 weeks
$600 Weekly Payment

• Cares adds a federal payment of $600 a week to a state’s base unemployment payment for 4 months
• Amounts to about an additional $10,000 in unemployment benefits
• Aimed at assisting low wage workers most impacted by lay offs and furloughs
## UI Benefits by State

<table>
<thead>
<tr>
<th>State</th>
<th># of Weeks</th>
<th>Minimum Weekly Benefit*</th>
<th>Maximum Weekly Benefit</th>
<th>Rate</th>
<th>Maximum Monthly Benefit*</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Mexico</td>
<td>26</td>
<td>$86 - $129</td>
<td>$461 - $511</td>
<td>53.5% of average weekly wage</td>
<td>$4,444</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>26</td>
<td>$16</td>
<td>$539</td>
<td>1/23 of wages in the highest paid quarter of base period</td>
<td>$4,556</td>
</tr>
<tr>
<td>Idaho</td>
<td>26</td>
<td>$72</td>
<td>$405</td>
<td>1/26 of wages in the highest paid quarter of base period</td>
<td>$4,020</td>
</tr>
</tbody>
</table>

For educational purposes only. Actual amounts may vary.

*Minimum weekly benefit will be higher than normal (at least half the average amount)

**Includes additional $600/week federal payment for 4 months.
Pandemic Unemployment Assistance

• Covers self-employed, contract workers, gig workers, and free lancers
• Covers people who are quarantined or taking care of those who are ill
• Covers people with short work histories
• Runs from January 27th, 2020 to December 31st, 2020
• Funded federally but administered by states
• Minimum weekly benefit equal to 50% of state’s average unemployment benefit
Unemployment Resources

• Apply in person or online at your state unemployment or department of labor office

• Unemployment questions?
  
  https://www.usa.gov/unemployment
Paycheck Protection Program

• Forgivable loans to employers who do not lay off employees
• Loans up to 2.5 times average monthly payroll
• Available to businesses with 1 to 500 employees
• Overseen by Small Business Administration but apply directly to banks and lenders

Student Loans

• Direct government student loan payments are automatically suspended from mid-March until September 30th, 2020
• Direct federal student loans extended within the past 10 years are eligible
• Interest is also automatically suspended
• Wage garnishing for delinquent student loans is suspended for 6 months
• Contact private student loan lenders to request forbearance
• More information: https://studentaid.gov/announcements-events/coronavirus
SNAP and Food Benefits

• Supplemental Nutrition Assistance Program
• CARES provides $15 billion to SNAP, $450 million for food banks, and $8.8 billion for childhood nutrition, i.e. school lunches
• $100 million for food distribution on reservations
• Families First Act included $400 million for WIC and $400 million for the Emergency Food Assistance Program
SNAP and Food Benefits

• Food Distribution Program on Reservations for income eligible households on reservations and approved areas near a reservation or in Oklahoma
• Many families use FDPR as an alternative to SNAP
• Depending on state or tribe apply via phone, online, or in person
• More information
  
  https://www.benefits.gov/benefit/360
  https://www.benefits.gov/benefit/361
Access to Retirement Savings

• Consider this as a last resort!
• Withdraw up to $100,000 of retirement savings without a 10% penalty
• Taxes on early withdrawals can be paid over 3 years or tax free if funds are repaid within 3 years
• Doubles the amount a 401k participant can borrow for the next 6 months
• Suspends required minimum distributions for retirees for one year
• For more information contact your plan provider
Emergency and Sick Leave

- CARES requires most private sector employers with fewer than 500 employees to provide 2 weeks of sick leave for employees unable to work due to coronavirus.
- An additional 10 weeks of paid leave to care for a child whose school or child care is closed due to coronavirus.
- Paid daily sick leave wages capped at $511 or $200 (if caring for a child or family member).
- For more information contact your employer or check out [https://www.dol.gov/agencies/whd/pandemic/ffcra-questions](https://www.dol.gov/agencies/whd/pandemic/ffcra-questions)
Rent and Mortgages

- CARES does not feature a national rent or mortgage freeze
- Federal government has placed moratorium on evictions and foreclosures of homes backed by FHA mortgages and Section 184 loans for 60 days
- At least 34 states and many cities are placing temporary freezes on evictions and foreclosures
- Contact your lender or landlord to request forbearance
- For more information
  
  https://www.hud.gov/coronavirus
Utilities and Other Basic Needs

Check with your tribal, state, or local government for assistance with needs such as:

• Utilities
• Childcare
• Cash assistance
• Temporary housing
• Health care options
• Internet access
• Legal aid
Coronavirus Scams and Fraud

• Fake cures and vaccines
• Bogus charities requesting donations
• Early access to stimulus payments
• Coronavirus themed malware
• For more information

https://www.consumer.ftc.gov/features/coronavirus-scams-what-ftc-doing
Key Takeaways

• Remember the 4 P’s – Proactive, Prioritize, Paper Trail, and Patience

• $2 trillion only goes so far

• Pay attention to deadlines and timelines

• Call Shawn with any questions

• Coronavirus Survival Kit

• Tune in next week for Stock Market Mayhem!
Autumn Romero
(303) 774-7836
aromero@firstnations.org
firstnations.org

Shawn Spruce
(505) 917-0709
agoyopi@gmail.com
nativesonabudget.com