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GOVERNMENT SHUTDOWN INFORMATION & RESOURCES

HOW A SHUTDOWN AFFECTS SERVICE MEMBERS AND MILITARY PAY

Military members required to work during a shutdown, and DoD civilian employees, will not receive pay or allowances during the period of the shutdown. Currently, the Government Employee Fair Treatment Act of 2019 mandates that military personnel and other federal employees should receive retroactive backpay once a shutdown concludes.

WHAT CAN I DO TO PREPARE FOR LIVING WITH NO PAY?

- Review your budget and assess your immediate needs; prioritize expenses and identify any areas with financial flexibility that can be pushed out for a month or more. If you need financial planning and budget assistance, consider contacting your local installation's financial readiness program (e.g., Army Community Service).
- **Communication is CRITICAL** in these situations. Contact your creditors, landlord, utility companies, mortgage company, educational institutions, etc., and make them aware your pay is affected by the government shutdown. Ask to make smaller payments or request deferred payments until your pay is restored.
  - See **ATTACHMENT 1** for a sample letter.

WHAT FINANCIAL RESOURCES ARE AVAILABLE IF I NEED MONEY FOR FOOD AND NECESSITIES?

Financial institutions and other credit union special programs typically offer options to help those without pay. Various Federal Credit Unions, United Services Automobile Association (USAA), Armed Forces Bank, and other financial institutions may offer interest-free loan programs for eligible members whose pay is impacted, typically matching a direct deposit up to a certain amount.

- **TIP:** Reach out to your bank or credit union to ask about interest-free loan programs.
- **TIP:** Consider stopping automatic payments, especially if you have any automatic payments pulling from your bank account, as it will decrease readily available funds for payments that can possibly be deferred.
- **CAUTION:** Be careful who you share information with. During a crisis, many people will try and steal your information. Never give your information to companies that contact you by phone; call back on official numbers after researching them on the web if you want to engage their services.
- **CAUTION: DO NOT** rush to borrow money from payday lenders, title lenders, or take out high-interest personal loans! These types of high-interest loans are difficult to pay off even after pay resumes.

Contact your branch's Military Aid Societies, as well as local state and community Assistance Programs: **Army Emergency Relief (AER)**, **Navy Marine Corps Relief Society (NMCRS)**, **Air Force Aid Society (AFAS)**, and the **Coast Guard Mutual Assistance (CGMA)** may assist with your emergency financial needs such as food, gas, and utilities with an interest-free loan expected to be repaid once normal pay resumes.

Other aid organizations may be able to assist: American Red Cross, Operation Homefront, Veterans of Foreign Wars, Armed Services YMCA, Cohen Veterans Network, Military OneSource, local food pantries, and community organizations.

If you decide to take out a loan, read all documents before signing to learn what you are signing up for! Look out for interest rates higher than the national average for that type of loan, any additional service fees charged by the company (service fees, late fees, pre-payment penalties, etc.), and make sure you know what happens in the event you are late or are unable to make a payment.

WHAT IF MY CREDITORS ARE NOT WILLING TO WORK WITH ME AND I CAN'T MAKE MY PAYMENTS?

If you are not able to secure additional assistance, the Servicemember's Civil Relief Act (SCRA) may provide some protections. **Please be advised that the SCRA is a U.S. federal law and its protections generally apply to U.S. based contracts, creditors, and court proceedings. Foreign courts and creditors are not bound by the SCRA.**

- **Evictions (CONUS):** The SCRA requires a U.S. court order to evict a servicemember from a residential home. This protection applies within the United States.
- **Repossession Protections:** The SCRA states that a creditor may not repossess a vehicle during a borrower's period of military service without a U.S. court order, provided the servicemember made a deposit or at least one payment before entering service. This generally applies to U.S. based loans.
- **Liens:** A lien cannot be enforced on a servicemember's property during or within 90 days after military service unless there is a valid U.S. court order.
- **Foreclosure (CONUS):** The SCRA prohibits non-judicial (out-of-court) foreclosures on mortgages that originated before military service. This protection applies to property within the United States.
- **Protection against default judgments (a U.S. court order):** If any civil action is filed against you in a U.S. court while on active duty, the judge must appoint a lawyer to represent you in your absence.
- **Stay of Proceedings:** If you cannot participate in a U.S. civil court action or administrative proceeding because of your military service, you can request a 90-day delay, or "stay," in the proceeding.

KEY SUPPORT RESOURCES FOR MILITARY FAMILIES

These resources are available to help the military community navigate financial and personal challenges.

- **Military OneSource:** A comprehensive, DoD-funded program available 24/7 worldwide, offering free and confidential support for servicemembers and their families. Services include:
  - Financial counseling and planning.
  - Non-medical counseling (online, by phone, or in person).
  - Spouse employment and education resources.
  - Visit **www.militaryonesource.mil** or call them from the Netherlands using the appropriate international dialing code.
- **Installation Support Centers:** USAG Brunssum has a central support agency Army Community Service (ACS)
- **Chaplain Services:** Chaplains offer confidential counseling and spiritual guidance to people of all faiths (or no faith). They are a valuable resource for stress management and can often connect you with additional community-based aid.
- **Consumer Financial Protection Bureau (CFPB):** The CFPB's Office of Servicemember Affairs focuses on financial challenges affecting military families. They provide resources and a platform to submit complaints against financial institutions.
  Visit **www.consumerfinance.gov/servicemembers**.

WHAT ABOUT MY DUTCH LEASE? WHAT SHOULD I BE CONCERNED ABOUT?

As noted up front, **communication is critical**. In the Netherlands, landlord-tenant law is generally protective of tenants. A landlord cannot terminate a lease or evict a tenant without a court order from a judge.

A landlord may petition a Dutch court to terminate a lease for a compelling reason, such as significant rent arrears. While there is no exact threshold, a debt of three months' rent is often considered sufficient grounds for a court to grant an eviction. However, the judge will consider all circumstances of the case.

If you find that due to the government shutdown you are not able to fully pay your rent, our office recommends the following:

1. **Notify your landlord in writing in advance.** Explain that the default is due to the U.S. government shutdown and that the Government Employee Fair Treatment Act of 2019 currently mandates retroactive backpay once the shutdown concludes. This shows the issue is temporary and you have a plan to repay.
2. **Pay at least part of the rent that is due.** Paying what you can demonstrates good faith and reduces the total amount of arrears, which may influence a judge in your favor should the matter go to court.

Proactive communication and partial payments can help you maintain a good relationship with your landlord and prevent legal action.

WHAT ABOUT OTHER DUTCH BILLS (UTILITIES, PHONE, INSURANCE)?

The same principle of proactive communication applies to all your local Dutch bills. Many Dutch companies are willing to work with customers facing temporary financial difficulty if you contact them early.

1. **Contact Your Providers:** Call or email the customer service departments for your utilities (gas, water, electricity), mobile phone, internet, and insurance providers. Explain the situation regarding the U.S. government shutdown and your temporary inability to pay.
2. **Request a Payment Plan:** Ask for a temporary payment arrangement (betalingsregeling) or a deferral of your payment. Be clear that you intend to pay in full once your salary is reinstated.
3. **Prioritize Your Bills:**
   - **Mandatory Insurance:** Dutch health insurance (zorgverzekering) for dependents who work on the local economy and third-party liability car insurance are legally required. Failure to pay can lead to significant fines and legal consequences. These should be your highest priority after housing.
   - **Essential Utilities:** Gas, water, and electricity are critical. While disconnection is not immediate, falling behind can lead to collection actions and potential service shut-off.
4. **Do Not Ignore Payment Notices:** Ignoring bills will lead to reminders (herinnering) and then formal demands (aanmaning), which often include administrative fees. Eventually, the debt may be passed to a collection agency (incassobureau), significantly increasing the cost and hassle.
5. **Get Agreements in Writing:** If you agree to a payment plan or deferral, ask for confirmation via email so you have a record of the arrangement.

The Netherlands Law Center, Legal Assistance Office, will continue to operate for eligible clients unless ordered to cease services. The general scope of legal assistance services may be limited during these times, so please call your local legal assistance office for updated guidance on available services or to submit a client intake.

Request an appointment with our office at the following QR code:

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