



# PROTECTING THE ECONOMIC WELL-BEING OF IMMIGRANTS AND REFUGEES DURING COVID-19: LESSONS LEARNED BY THE IRC IN THE FIRST 30 DAYS

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# Protecting the Economic Well-Being of Immigrants and Refugees during COVID-19:

## Lessons Learned by the IRC in the First 30 Days

The International Rescue Committee (IRC), like social service organizations across the U.S., has had to rapidly adapt to an unprecedented model of service delivery at a time when America's most vulnerable families are being profoundly impacted by the dual impact of a public health crisis and an economic shut down. As of April 15, 2020, more than 22 million Americans have been laid off, representing 1 in 7 workers, and low-income communities, communities of color, and linguistically and culturally isolated families are facing ever deepening challenges.

The goal of this brief report is to provide a succinct, "real-time" snapshot of the main economic challenges that families are facing, adaptations that IRC programs are making, and the lessons that are emerging as IRC continues to deliver economic empowerment programming across 26 U.S. cities. Like many social service providers, the communities IRC serves are overwhelmingly poor and in addition, more than 95% of those served by IRC are immigrants and refugees who generally speak English less than well and are much more likely to have weak digital literacy skills as compared to native born Americans, which makes service delivery during a time of physical separation challenging. By sharing this ever-evolving, "real-time" picture, IRC hopes to contribute to the capacity of all stakeholders – practitioners, policymakers, and funders – to forge a collaborative, effective response for America's most vulnerable.

This brief was developed by the Resettlement, Asylum, and Integration (RAI) US Economic Empowerment technical unit and draws heavily on its engagement with more than 160 field staff during the last 30 days. These staff serve more than 14,000 clients annually in workforce development, financial capability, and small business programs.

***COVID-19 has presented unprecedented financial challenges to low-income families and now more than ever, economic empowerment programs must "learn as we go" in providing responsive, effective support to America's most vulnerable.***

## Challenges: What Families Need

From an economic health perspective, the overwhelming challenge facing IRC clients during this time is loss of employment. Some of the industries that were hit hardest and first (e.g. hospitality) also employ a disproportionate number of low-wage and immigrant workers. As the economic crisis widens, layoffs are occurring in nearly all industries and all communities. Expansions to eligibility for Unemployment Insurance (UI) under the recently passed federal CARES Act have been helpful in expanding access to UI benefits and have also increased their economic value by contributing an extra \$600 per week and extending the time period for which a person may receive benefits.

However, the manner in which UI benefits are accessed has presented significant challenges to ensuring continuity of income among workers. Quite simply, the state UI systems have faltered tremendously under increased demand and incomplete information, crashing websites, and impenetrable phone systems are the norm. This challenge has been exacerbated for those who were in gig economy positions as states are still in the

**While the loss of income due to job loss is the most immediate need, as it is for families across America, other challenges – being less likely to be eligible for unemployment and other benefits, less likely to be banked, and being less likely to have filed taxes, and the sheer struggle of navigating systems are compounding the struggle for diverse, low-income Americans.**

process of figuring out how to respond to UI applications from these workers as well as workers who have not been clearly laid off by employers but are facing great uncertainty in hours. In addition, as employers navigate the Paycheck Protection Program (PPP) from the Small Business Association (SBA) some workers are in a state of limbo, unsure of which program will ultimately ensure ongoing income support.

For undocumented workers, as well as very new Americans who are work-authorized but had not yet started working, the lack of eligibility for UI puts these families in particularly challenging economic circumstances as their access to safety nets is more limited and options for income generation are difficult in a time of historic economic contraction.

While UI is the main source of income support for most laid off workers, IRC is also seeing needs among families who suddenly need help in applying for SNAP benefits, Medicaid, and other means-tested income supports.



*Photo Credit Emily Hockstein, IRC*

The families IRC serves are also less likely to have filed taxes, meaning that they were less immediately positioned to benefit from stimulus payments and have needs related to accessing these critical cash infusions. The shutdown of most in-person Volunteer Income Tax Assistance (VITA) sites has made remedying this situation more challenging than normal, though emerging options through the IRS that allow non-filers to submit basic information have the potential to be helpful. While IRC has not seen the full impact of this yet, it is likely that fewer low-income families will file taxes this year given the VITA program shutdown and as such, many families may also miss out on the Earned Income Tax Credit (EITC), which many count on as a needed infusion of \$2,000 or more, depending on family size.

A cross-cutting challenge is that the families IRC serves are less likely to be banked. In practical terms, this means that many of the emergency response actions that can be taken to buoy family finances – getting UI benefits flowing on a weekly basis, getting stimulus funds safely and directly deposited – are harder and families may require extra support to set up a bank account to allow for ACH deposits.

Finally, the client communities served in IRC economic empowerment programs are more likely to have no credit score or poor credit, which is limiting their access to flexible sources of affordable spending power through use of consumer credit lines.

## **Adaptations: What IRC is Doing**

The most profound, overarching adaptation that IRC has made involves the transition to 100% remote service delivery. For a community-based organization that has for decades served families by creating a welcoming, neighborhood-based access point where multi-lingual staff can be accessed just by stopping in, it would be hard to overstate the significance of this change. IRC's service delivery adaptation process for economic resilience programming has included a focus on:

- **Proactive, regular outreach to clients** with a prioritization of those who have very high needs (e.g. those with complicating health factors, those who are very new to the U.S., those in potentially unsafe family situations, those who are known to have been recently laid off);
- **Prioritizing initial individual contact and assessment of needs** while working to bring ongoing services (e.g. vocational ESL classes, financial coaching, skills training programs) onto accessible platforms;
- Using **communication platforms that meet clients where they are at** – in addition to phone and text, this includes platforms that are familiar to clients such as WhatsApp and Facebook;
- Looking at every planned **service delivery through the lens of digital literacy and language access**;
- Leveraging the **power of a network and a dedicated technical team**, especially in regards to producing multi-lingual, timely content in an efficient manner; and




- Continuing to **maintain standards** of client confidentiality, protection of private information, and practices that meet all relevant professional standards.

As IRC transitioned to remote service delivery, it became apparent almost immediately that low levels of digital literacy and limited access to digital devices and internet among the client community needed addressing. This is a complex, deep, and multi-faceted challenge but key steps IRC has taken include:

**In adapting services to a remote delivery context, every decision must be responsive to the digital literacy and language barriers that so many low-income American families face.**

- Piloting ways to **build digital literacy even among individuals that have almost none** – this has included meeting clients on platforms familiar for them like WhatsApp and trying to iteratively build micro-skills through individual support and lots of practice;
- Building on existing digital literacy work IRC has done to **support those with intermediate or higher digital literacy skills in accessing platforms** (e.g. Zoom) that can allow for more sophisticated service delivery such as live instruction, screen sharing, and more;
- Distribution of **donated digital devices and partnerships with low-income internet providers**, working to get clients set up for more robust digital engagement if some people in the household have the ability to engage with those resources; and
- **Building the skills of IRC economic empowerment program staff** who are now delivering services remotely, to work effectively across digital platforms, especially with clients that have limited skills.

Beyond the adaptation towards remote service delivery, the immediate shock to household income that has impacted thousands of IRC clients has meant that IRC has had to pivot strongly towards stabilizing family finances as a primary goal of all economic empowerment programs. This has included a strong focus on providing assistance in applying for UI – indeed, in just a two week period, IRC directly assisted more than 1,100 individuals in filing a UI claim. By investing in connecting eligible



clients to UI, IRC is utilizing a strategy that seems most aligned with ensuring adequate, sustainable income over a period of weeks or months as needed. This work has also included investing in efforts to rapidly deploy emergency cash assistance to support rent payments, food purchase, and other critical household expenses as a stop-gap measure for workers awaiting UI and for those that are not eligible. Finally, a part of this work has also included providing direct assistance preparing clients to receive stimulus payments, which has variously included supporting them in remote tax filing, updating the information they have on file with the IRS, helping newcomers understand their potential eligibility, and setting up bank accounts for the unbanked. This continuum of work has required rapidly standing up and training economic triage teams drawing from multi-lingual workforce development, financial coaching, and casework staff while also, in many cases, working to continue delivery of other essential services.

In addition to responding to widespread unemployment and loss of income among IRC's client community, economic empowerment programs have worked to continue to provide workforce development services including job placement assistance to those individuals who need to work. This has required developing responsive standards of practice around ensuring that clients have all the information they need to make their own choices about what job(s) they are applying for and providing compassionate, fact-based coaching to support difficult decision-making. It has also required an increased investment in employer engagement to ensure that clients placed in jobs (or continuing work) are at worksites that are following all recommended health and safety protocols. While IRC is accustomed to serving as a liaison between newly-placed clients and employers, this work is intensifying as the limited English proficiency of most IRC clients and the high stakes of the situation mean that this critical dialogue around health and safety practices needs additional support from IRC.

Finally, IRC has a lending subsidiary known as IRC's Center for Economic Opportunity (CEO). IRC's CEO has made significant adaptations to ensure that IRC clients that are also borrowers do not face economic hardship as a result of their loan. This has included automatically allowing borrowers to make no payments and have 0% interest through at least July 1, 2020 on existing loans as well as introducing two new products for launch this spring, one that is an emergency recoverable grant product and another that is a resilience loan meant to provide \$500-\$700 per borrower at terms that

include no fees, 0% interest, and no payments for six months. These adaptations are meant to protect client credit and help provide emergency cash flow.

**IRC's lending subsidiary, IRC's CEO, made the decision to automatically allow borrowers to make no payments and have 0% interest on all existing loans through at least July 1, 2020 and is introducing new, no-fee, 0% interest loans that have a six months grace period to protect borrower credit and provide critical cash flow to families**

## Emerging Practices: What IRC is Learning

In the first 30 days of responding to the COVID-19 health and economic crisis, IRC economic empowerment programs have learned several key lessons.

### Triaging Economic Needs

- An ability to rapidly pull together and train a **coordinated team of “economic first responders”** is critical in reaching and serving clients who, in the normal architecture of a social service organization, are often siloed into many different program buckets defined primarily by which grant-funded program(s) they are enrolled in. Doing this requires strong leadership and some amount of funding flexibility.
- Even basic economic triage tasks (e.g. applying for UI, setting up a bank account) can take a **significant amount of time** (4+ hours) in the context of remote work, limited digital literacy for clients, language barriers, and overburdened state and federal systems.
- The **ROI on connecting people to sustainable sources of income replacement** or cash assistance is much higher than just providing direct cash assistance; for



example, a worker that is assisted in receiving UI may be able to secure \$10,000 over a period of three months of unemployment and at a staff cost of a few hundred dollars' worth of time. This is more efficient than simply giving a person a few hundred dollars as a one-time payment.

- There is a **role for direct cash assistance**, especially as an emergency bridge between loss of income and start of benefits and for those whose status or situation makes them ineligible for income replacement.

**There is a role for both emergency cash assistance and connections to more sustainable sources of temporary, ongoing income**

- There are **many “extra” things that may need to be done** to triage economic needs – for example, setting up email accounts, accounts with benefits systems, and bank accounts – and especially for clients with limited digital literacy and/or limited English, these tasks will take time and teams need to identify how this work will be completed and by whom.
- While it varies by state, some benefit systems allow **organization-level accounts** and this can help streamline benefit application procedures.
- While in a time of unprecedented unemployment it can be easy to overlook the fact that there are still many low-income people currently working or who want to work, economic empowerment teams **must preserve capacity to support these working individuals** as well, and invest the time and resources necessary to make sure this is happening in a safe way that respects client choice as a guiding principle.
- The **available economic resources – at the federal, state, and municipal level – are changing on a daily** basis and it can be helpful to identify staff(s) responsible for tracking these developments and providing updated training and resource information to the broader economic empowerment team on a regular basis.



Photo Credit Rebecca Wilkey, IRC

## Delivering Services Remotely

- In an environment where clients can no longer easily walk-in for services, **proactive outreach** is critical.
- **Outreach should be coordinated** across economic empowerment programs (and potentially at the level of the organization, especially in organizations where families are frequently accessing multiple programs).
- There are many **questions that an economic empowerment program team will need to answer as quickly as possible** (e.g. what platforms will we use, how will we adapt content, forms, and other resources to be accessible remotely, how will we ensure information security, how will we get signatures when needed) and it can be helpful to identify these questions, delegate staff to conduct needed research and make recommendations, and ensure a decision-making structure is in place to move forward with implementation.
- Digital literacy is likely to be a significant barrier for clients trying to access remote services and an **intentional, resourced plan should be put in place to address digital literacy** as it is a foundational, cross-cutting need. At a minimum, this plan should include strategies to meet the needs of individuals with little to no digital literacy as well as those with some foundational skills that can more easily be built upon to support better program access.

- Whenever possible, economic empowerment teams should **use digital platforms that are familiar to clients**; note that this may require a staff or organization to juggle multiple platforms but it is usually easier for a reasonably technologically literate staff person to use 2-5 different platforms than for a client with limited digital literacy skills to have to transfer knowledge to an unknown, new platform.
- Economic empowerment programs may need to **invest in new digital platforms** to work effectively in this environment.
- Economic empowerment **staff should be trained on best practices for using digital tools and delivering services remotely**. This training should be broad and include topics such as how to use specific tools/platforms, how to ensure high-quality service that still adheres to information security and professional standards, how to incorporate interpretation services, and how to prioritize which components of programs are most important to rapidly deliver in a remote environment and which can wait.
- Economic empowerment managers should be tuned in to how long it is taking staff to deliver services in a remote fashion and adjust workload and expectations accordingly.

### Additional Resources

[The Unequal Impact of the COVID-19 Crisis on Households' Financial Stability: Who is More Likely to Be Hurt and Why.](#) Prosperity Now. April 2020.

[Coronavirus Bill Offers Relief to People with Low-Incomes, Next Bill Must do More, Include Immigrants.](#) CLASP. March 26, 2020.

[COVID-19's Impact on America's Workforce.](#) National Skills Coalition.

[Crisis Within a Crisis: Immigration in the United States in a Time of COVID-19.](#) Migration Policy Institute. March 26, 2020.

[Poverty and Distributional Impacts of COVID-19.](#) World Bank. April 16, 2020.