

# Increase in Minimum Wage = Increase in Scams

An increase in minimum wage means more money in your pocket. This is a good thing, but there are a few factors to consider. When there are changes in the law or policies, there will be people who will try to make money off of you through scams. To avoid these scams consider the following:

- **Consider Benefits Changes:** Increases in income may impact eligibility for public benefits such as Cash Assistance. Cash Assistance income rules are complicated. Your eligibility for it depends on how many people are in your home, the children under the age of 18 living with you, and whether your income comes from work or elsewhere. In order to know if your benefits will change, consult with the office that determines your case. To learn more about what to expect or to apply for Cash Assistance or other benefits, contact your local Human Resources Administration (HRA) Job Center.
- **Spot Scammers:** If visitors to your home or callers ask for personal information such as Social Security Numbers or bank account details, they may be con artists. Beware if their offer seems too good to be true or if they are using scare tactics to intimidate you. This may also be true for any official-looking letters received in the mail requesting your information.
- **Plan Ahead:** If you have debts, it is best to get in a payment plan now while your income is lower. Many payment plans are contingent on your household income. If you tell debt collectors you have less to pay, they will often make a deal with you. Other debts such as federal student loans are eligible for income-based repayment. You'll need to show proof of income and expenses to negotiate an affordable payment plan. Your income will be reviewed annually so it is best to enter into a payment plan before your income increases. (See the [6 Tips For Negotiating With Debt Collectors](#) Tipsheet).
- **Talk to Someone:** Before you enter into a payment agreement or give out personal information, talk to someone you trust. Con artists want you to make decisions in a hurry. They might even threaten you. Slow down, check out the story, do a search of their organization online and consult an expert. Financial coaches are happy to meet with you to discuss topics around your finances—and it's free!



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## CHECKLIST: AM I THE TARGET OF A SCAM?

If you are the target of a scam related to an increase in minimum wage, there are many options available to you. The first step is to be prepared! Think of ways you might be vulnerable to scammers or why they see you as a target. Complete the checklist below to help you identify ways you may be vulnerable and what steps you can take!

### Has there been a recent increase in income from working?

- No
- Yes, a lot
- Yes, but only a little

### Do you have any debts?

- No
- Yes

If you answered Yes to either of the questions above, make a plan. For instance, if you have debts and are able to repay them, it is best to negotiate a lump sum or enter a payment plan.

### Do you receive any calls from people asking for personal information?

- No
- Yes
- I am not sure

If you answered Yes, remember not to provide personal information on the phone if you did not initiate the call. It is likely that these scammers are con artists!

### Do you have anyone you can talk to about financial decisions?

- No
- Yes

If you answered No, find someone to talk to. Con artists want you to make decisions in a hurry. They might even threaten you. Financial coaches are a great place to start to have these conversations!