2020 Personal Finance Year in Review

by Barbara O'Neill, Ph.D., CFP®; and Martie Gillen, Ph.D.

TAP HERE FOR ONLINE MOBILE-FRIENDLY ARTICLE

Barbara O'Neill, Ph.D., CFP®, is a distinguished professor emerita, Rutgers University, and the owner and CEO of Money Talk Financial Planning Seminars and Publications.

Martie Gillen, Ph.D., is an associate professor at the University of Florida.

Editor's note: As we've done for the past few years, we present this compilation of important personal finance events of 2020. Use this information to inform your financial planning practice and share with clients when appropriate. The online version of this article (available at FPAJournal.org and in the *Best of the Journal 2020* exclusive digital edition) contains links to the many sources and studies cited.

For the past six years during December, the Military Families Learning Network Personal Finance team has presented a 90-minute webinar[1] for financial educators and counselors that reviews key personal finance news stories that took place during the previous calendar year.

This article presents a review and summary of key personal finance events in 2020, with topics organized according to their placement within the webinar, beginning with empirical research findings and concluding with a preview of 2021 annual limits related to financial planning. Many of the events and legislation reported for 2020 stem from the COVID-19 pandemic.

Research Studies

Financial literacy. Researchers examined P-Fin Index data that were collected in January 2020. U.S. adults answered 52 percent of the questions correctly. Financial literacy was lowest in the areas of comprehending risk and uncertainty.[2] Additionally, respondents with the lowest financial literacy levels had more precarious finances such as difficulty making ends meet in a typical month, difficulty paying loan payments and credit card payments in full and on time, and having no retirement savings.[3]

Financial education mandates. Twenty-one states require high school students to take a course in personal finance, an increase of four states since 2018.[4] Twenty-five states require high school students to take a course in economics, an increase of three states since 2018.

Impact of financial education. Researchers used the 2018 National Financial Capability Study dataset and Consumer Financial Protection Bureau Financial Well-being Scale to examine the impact of financial education on subjective financial well-being for adults.[5] They found positive effects of high school financial education graduation requirements on subjective well-being for males only and that required high school financial education increased subjective financial well-being for adults who attended at least some college. For adults with a high school diploma, financial education reduced their subjective well-being (i.e., it forced a realistic assessment of their financial situation). Takeaway: "Consider shifting policy or curricula to better suit those who struggle" (p. 5) (i.e., financial issues of non-college-going adults and emphasis on human capital and shocks).[6]

Financial education and downstream financial behaviors. Researchers conducted a meta-analysis of 76 randomized experiments (N > 160,000).[7] They found that financial education programs have, on average, positive causal effects on financial knowledge and downstream behaviors. This is in stark contrast to Fernandes et al. (2014) meta-analysis results.[8] Takeaways include: (1) sizable effects on both financial knowledge and behaviors; (2) inconclusive evidence about the decay of financial knowledge; and (3) many educational interventions studied were cost-effective.

Parental financial education. The association between overt financial education from parents during childhood and young adult financial practices was examined.[9] Respondents answered, "How would you describe how finances were communicated in your family?" Childhood financial education from parents was linked with greater frequency of healthy financial behaviors in emerging adulthood; not gender dependent. Takeaways include: (1) involve parents to the greatest extent possible in teaching youth about personal finance; and (2) repeated instruction over time is more impactful than "one-and-done" courses.

Emergency funds. Data for this study included the 2009, 2012, 2015, and 2018 National Financial Capability Surveys. The researchers found that savings account ownership was the strongest predictor of having an emergency fund.[10] Additionally, subjective financial knowledge and financial confidence were also significant and consistent predictors, while objective financial knowledge was not a significant predictor. Takeaways include: (1) "strategies to promote emergency savings should be multifaceted" (p. 542); and (2) households need some financial slack to be able to save (i.e., income greater than expenses).[11]

Millennial money management. This study included the 2018 National Financial Capability Survey dataset. It found that millennials were deeply affected by the Great Recession and tended to rely heavily on debt.[12] Millennials engaged frequently in expensive short-term and long-term money management behaviors such as making credit card minimum payments, incurring fees and obtaining cash advances, using alternative financial services, and making late payments. Millennials also displayed "alarmingly low levels of financial literacy" (p. 1). The researchers noted disconnects between perceived and actual knowledge.[13]

Research about Gen Z. The Pew Research Center found that Gen Z is more racially and ethnically diverse than any previous generation, with one in four Gen Zers identifying as Hispanic and 52 percent identifying as non-Hispanic white.[14] Gen Z is on track to be the most well-educated generation yet. They are also more likely to have a college-educated parent than any previous generation. Additionally, they are less likely to be working as teens and are considered digital natives.

529 plan utilization. Researchers conducted a randomized control study design and assigned parents to one of four interventions (general information, a table, a graph, and an infographic) that were designed to increase 529 plan usage.[15] Parents had difficulty with information overload and cost-benefit analysis. Takeaways include: (1) providing information on the financial benefits of 529 plans and the sign-up process; (2) providing a quantitative comparison of 529 accounts versus other account types; and (3) using more comparison interventions.

Student loan decision-making. Researchers investigated whether parents' own student loan balances affected their decision to save for their children's education.[16] They found that parents who are paying off their own student loan debt were less likely to invest in tax-advantaged accounts for their children. They also found that debt-laden parents were 67 percent less

likely to use a 529 plan or Coverdell ESA. Takeaways include: (1) increasing clients' awareness of tax advantages of education accounts; and (2) encouraging parents to fill out a FAFSA form and manage children's expectations.

Financial help-seeking. This study utilized a longitudinal dataset to examine financial help-seeking[17] by millennials. The researchers found that positive predictors of seeking help from a professional include gender (male), marital status (single), education (bachelor's degree or higher), financial knowledge, and parent education (bachelor's degree or higher). They also found that most young adults do not seek help. In fact, there was an apparent lack of discussion about finances with anyone (18 percent to 28 percent help-seeking ranges over the period of the study). Takeaways include: targeting outreach and/or niche services to those who are less likely to seek help via ad campaigns, seminars, and social media.

Life insurance. Utilizing a Survey of Consumer Finances dataset, researchers found that the proportion of households owning a life insurance policy[18] decreased from 72 percent in 1992 to 60 percent in 2016. They also found that changes in household characteristics (e.g., unmarried households) accounted for a decrease in term life policy ownership but not for decreases in owning cash value policies. Additionally, a positive association between use of a financial planner and life insurance ownership was identified. Takeaways include: (1) asking clients about policy costs (to correct misperceptions); and (2) better informing people about the merits of life insurance.

Handling windfall money. Researchers found that "fun" sources of income[19] (e.g., game show winnings) were more likely to be spent on fun expenditures—up to a certain point—before leveling off. They found that "affective euphoria" surrounded these payments (i.e., a cause for celebration) and that money from more "adult" income sources (e.g., tax refund) was significantly more likely to be invested. Takeaways include: people have separate mental accounts and clients may be more open to investing more predictable windfalls.

Credit card rewards. Researchers studied the use of credit cards by "rational" consumers (i.e., those who always pay their balance in full).[20] They found that cash-back cards cause some consumers to rationally increase spending, which reduces savings. For example, with a credit card reward for spending $3,000 in three months, a person who typically spends $2,000 charges $1,000 more for a $700 net spending increase. Takeaways include: (1) consider if this happens to "rational" consumers, imagine the effects on "irrational" consumers who carry balances from month to month; and (2) point out mental accounting issues and encourage saving earned rewards.

Retirement age. Using data from the Social Security Administration, researchers found that despite an increase in full retirement age (FRA), most workers continued to retire at 65; some claimed later with an FRA of 66.[21] Retirement ages exhibit "persistent stickiness" at the old FRA of 65. A key factor for shifting retirement behavior is moving to workplaces where workers retire between the ages of 50 to 60. Takeaway: It is important to understand the significant role that employers play in shaping workers' retirement decisions.

Debt and delayed retirement. Researchers used the Survey of Consumer Finances (SCF) dataset to examine the effects of debt on retirement.[22] They found that doubling of debt reduced the likelihood of receiving Social Security (by 1.3 percent) and being retired (by 1 percent) and increased the likelihood of working (by 1.1 percent). Mortgage debt was the most significant and common source of debt among older households (69 percent of total debt). In fact, older adults with a mortgage were 4.8 percent less likely to be retired. Student loan debt increased by the greatest amount among older households compared to other categories of debt.

COVID-19-related studies. A National Endowment for Financial Education/The Harris Poll conducted in April 2020 and again in September 2020 found that 88 percent/84 percent, respectively, of Americans say COVID-19 is causing stress on their personal finances.[23] The top stressors are not having enough saved (41 percent/40 percent) and job security (39 percent/33 percent). Nearly half (46 percent) of American households are facing "serious financial pain" with little or nothing to fall back on.[24] Americans are shifting their financial priorities to paying down debt (36 percent) and building an emergency fund (33 percent).[25]

Government Reports and Research

Consumer Financial Protection Bureau (CFPB) research and reports. The CFPB frequently synthesizes existing research on personal finance topics (e.g., July 2020 report about emergency funds). Reports identify literature gaps and future research ideas.[26]

National strategy for financial literacy. The "plan of work" for federal agencies that comprise the U.S. Financial Literacy and Education Commission (FLEC) includes sections on FLEC structure, best practices, future steps to improve financial education, priority areas of federal activity, and performance and outcome measures.[27]

Federal Reserve Survey of Household Economics and Decision-Making (SHED) research. An annual study of U.S. economic well-being was conducted in 2019, with an April 2020 follow-up.[28] Findings include the following: three in 10 adults had

an income that varied from month to month; one in 10 adults struggled to pay bills because of income changes; one in 10 adults received assistance from someone outside their home; 16 percent of adults were not able to pay current month's bills in full; 37 percent could not cover an unexpected $400 expense without borrowing; 6 percent of adults do not have a bank account; one in four non-retirees have no retirement savings; and less than four in 10 are "on track."

Key Financial Events and Trends

The year 2020 can be divided into two parts: January 1 to mid-March and mid-March to year-end. The World Health Organization (WHO) declared the novel coronavirus (COVID-19) outbreak a global pandemic on March 11, 2020, and many initial lockdowns in the U.S began from March 12 to March 16.[29] Many events and trends listed below reflect the impact of COVID-19 on the economy and/or individual households.

Record-breaking trends. The National Bureau of Economic Research declared the U.S. officially in a recession in February.[30] This ended a 128-month economic expansion, the longest on record since 1854! Other record-setting events reported in 2020 were the marriage rate at the lowest level on record[31] and the U.S. birth rate at a 35-year low.[32] Both records were attributed to economic uncertainty and strained finances. In addition, negative equity on vehicle trade-ins hit an all-time high in April, according to Edmunds.[33] A record 44 percent of new vehicle sales with a trade-in had negative equity averaging a record $5,571.[34]

K-shaped recovery projections. Early in the pandemic, the terms "V-shaped," "U-shaped," and "W-shaped" recovery were used frequently, indicating a belief (at that time) that economic effects would be relatively short in duration with a relatively quick bounce-back. Toward year-end, economists increasingly discussed a two-tier recovery ("K-shaped" recovery) indicating that those with secure technology-enabled jobs or pensions who were relatively financially unscathed by COVID-19 will recover on an upward trajectory like the upper arm of a K.[35] Those in the service sector, retail, and other industries negatively impacted by COVID-19 are on a downward trajectory on the lower arm of the K and will see their prospects diminished. COVID-19 exacerbated existing income and wealth gaps dividing American workers.

Long-term low interest rates. The Federal Reserve signaled interest rates near 0 percent at least through 2023 to help support a post-pandemic economic recovery.[36] This policy impacts savers (slim yields), homebuyers (attractive interest rates), life insurance buyers (higher premiums charged to offset low bond yields), and pension plans (lower yields resulting in more underfunded plans).

Money market fund fee waivers. In the wake of COVID-19-induced interest rate reductions, money-market fund yields got so low that some investment firms had to waive management fees in order to prevent their account owners from experiencing negative returns.[37] Companies reported to have done this include Blackrock, Inc., Fidelity Investments, and J.P. Morgan Asset Management. Average seven-day net yields on money market funds slid to 0.05 percent in July versus 1.31 percent at the end of 2019.

Low mortgage interest rates. In August 2020, the average interest rate on a 30-year mortgage fell to 2.88 percent, its lowest level in almost 50 years.[38] In early September, the rate rose slightly to 3.05 percent, still a bargain relative to 2019.[39] Home values have remained strong as many homeowners delayed putting their houses on the market as a result of the pandemic, thereby reducing the number of homes available for sale to buyers looking to make a move while interest rates are historically low.

Double-digit savings rates. Americans who were financially unscathed by COVID-19 by retaining their jobs and waiting out stock market downturns sat on record cash savings.[40] Factors fostering savings included curtailed spending opportunities (e.g., eating out, travel, and entertainment) amid pandemic-related shutdowns, reduced expenses (e.g., commuting and childcare) by working from home, and precautionary savings related to uncertainty related to COVID-19 and the economy. The U.S. savings rate hit a record 33.6 percent in April and stood at 14.3 percent in September versus about 7.2 percent in December 2019.[41]

Rainy-day savings plans. Financial distress resulting from COVID-19 revealed that many Americans had inadequate emergency savings set aside for economic shocks such as long-term unemployment. More than 20 large U.S. companies, including United Parcel Service (UPS), developed so-called "sidecar" savings plans to help their workers save for emergencies within their 401(k) plans.[42] Short-term savings deposits are made with after-tax dollar payroll deductions and typically do not earn an employer match like retirement plan deposits. Employee contributions come out tax-free when the money is needed.

Coin shortages. Just like toilet paper early in the pandemic, supplies of U.S. coins (all denominations) ran low.[43] As a result, the Federal Reserve was forced to ration supplies to banks, which made it difficult for banks to supply retailers with coins to use in their cash registers. Reasons for the shortage included fewer coins produced at the U.S. mint to protect workers from COVID-19 and lockdowns at bank lobbies where consumers bring coins to turn in for paper currency at coin-counting machines.

Stock market volatility. The Dow Jones Industrial Average (DJIA) crossed 29,000 several times during 2020, for the first time in January[44] and again in September[45] and November[46] upon news that the 2020 presidential election was settled and a COVID-19 vaccine was inching closer to reality. An 11-year bull market officially ended on March 11, followed by the shortest bear market in DJIA history.[47]

Stock market news. Other notable events related to the stock market in 2020 included the following:

- A $2 trillion valuation for Apple in August.[48]
- Investment bank Morgan Stanley finalized the acquisition of discount broker E*Trade in October.[49]
- An uptick in sports gamblers turning to the stock market for "action" after sporting events were canceled.[50]
- The Robinhood investing app experienced a record number of trades in June.[51] It was criticized as akin to gambling when used by day traders (versus long-term investors). Reasons for increased day-trading include people bored at home or trying to replace lost income and stock market volatility.[52]
- The DJIA replaced three stocks (Exxon Mobil, Pfizer, and Raytheon) with three others (Salesforce, Amgen, and Honeywell) to better reflect the American economy.[53]
- Both Tesla and Apple announced stock splits in mid-August in an effort to attract a larger base of investors with a smaller amount of money to invest by decreasing the price of their shares; Tesla's stock split was 5:1 and Apple's was 4:1 effective August 31.[54]
- U.S. stocks surged on November 9 to within 70 points of DJIA 30,000 following determination of a U.S. presidential election winner and substantial progress on a COVID-19 vaccine by Pfizer.[55] On November 24, the DJIA made history and closed above 30,000 for the first time.[56] The S&P 500 also reached a record high close.

Income taxes. The normal April 15 tax filing deadline was extended without interest or penalties to July 15 to give people "breathing room" during early months of the pandemic.[57] Most states followed suit for state income taxes. Similarly, April 15 and June 15 quarterly estimated tax payments were postponed to July 15. In addition, an IRS ruling allowed mid-year changes to dependent-care flexible spending accounts.[58]

RMDs and Roth conversions. The December 2019 SECURE Act increased the required minimum distribution (RMD) age for withdrawals from tax-deferred retirement accounts from 70½ to 72, starting in 2020.[59] RMDs for persons age 72-plus were later suspended in 2020 as part of the CARES Act, allowing older adults to skip RMD withdrawals without penalty to avoid selling investments in the midst of volatile market conditions.[60] RMD withdrawals taken early in 2020 before COVID-19 took hold in the U.S. were allowed to be returned by August 31.[61] Also, Roth IRA conversions surged in first quarter 2020 as stock prices tumbled.[62]

Lower credit card limits. Banks started issuing credit cards with lower limits[63] as they re-evaluated their lending standards[64] in light of financial stress caused by high unemployment and other COVID-19 impacts. The average credit line fell 9 percent to $5,257 according the credit bureau TransUnion. Another action that many credit card companies took was closing inactive accounts "to avoid being borrowers' lender of last resort" after they "maxed out" all of their other credit lines.[65]

"Contactless" credit cards. Visa distributed 80 million contactless-enabled credit cards during the first half of 2020 in response to concerns about virus transmission.[66] These cards allow people to make quick "tap and go" payments in close proximity (about 3 inches) to a contactless-enabled terminal, thereby eliminating the need for swiping a strip or dipping a chip.[67] The front of contactless cards has an icon[68] that looks similar to a wi-fi symbol and these cards have an embedded chip[69] that emits short-range radio waves.

Credit card policy changes. Credit card companies adjusted their rewards programs to reflect pandemic-induced spending shifts.[70] With fewer people traveling and earning airline miles, rewards shifted to things like restaurant delivery, takeout, home improvement products, and streaming services such as Netflix. Another industry change was a decrease in 0 percent interest credit card offers as card issuers sought to minimize risks.[71]

High credit scores. The average FICO credit score was 711 in July, the highest score on record.[72] This was attributed to consumers stuck at home and spending less, borrowers paying down what they owe and not incurring new debt, and stimulus payments and moratoriums provided through the federal CARES Act. Borrowers may have missed payments, but their lenders did not submit this information to credit bureaus.

New FICO score. The Fair Isaac Corporation (FICO) introduced a new credit score called the FICO Resilience Index as an alternative measure of creditworthiness.[73] It was intended to be a "tiebreaker" for borderline credit decisions involving borrowers with low credit scores who are still likely to repay their debt in full. Scored from 1 to 99 (1 for the most resilient borrowers), the index puts more weight on a long credit history, low credit utilization, and few credit lines. A high FICO resilience score indicates that someone is viewed as likely to continue to manage their

finances responsibly despite pandemic-related challenges.[74]

Less credit card fraud. Fraud related to credit cards was down 40 percent during the first half of 2020 compared to the last six months of 2019.[75] Possible reasons include less shopping traffic in physical retail stores and less information obtained through skimming (attaching a device to card readers to steal personal information, e.g., at gas station terminals) and shimming (attaching a thin microchip-enabled reader into slots for chip-enabled cards) as people stayed home.[76]

Health insurance. 2020 marked the 10th anniversary of the passage of the Affordable Care Act (ACA), which was signed into law on March 23, 2010.[77] For those covered by employer plans instead of ACA plans, the average cost rose to $7,470 for workers and $21,342 for a family plan, of which employees paid $5,588 in premiums.[78] In its annual estimate of health care costs for older adults, Fidelity Investments estimated lifetime out-of-pocket medical expenses for a couple age 65 at $295,000, excluding long-term care.

Health care. Three pronounced health care trends reported in 2020 were the impact of elective surgeries on hospital finances, the negative consequences of postponing preventive screening exams and regularly scheduled care, and rapid adoption of telehealth services.[79] Hospitalization costs for COVID-19 was reported in July at $34,662 to $45,683, varying by age.[80] Patients aged 51 to 60 were charged the most and common comorbidities were chronic kidney disease, Type 2 diabetes, and hypertension.

Surge in life insurance sales. Many insurance companies reported double-digit increases in life insurance policy sales relative to 2019 as the pandemic claimed the lives of people of all ages.[81] This increase was associated with a heightened fear of death and greater awareness and appreciation of the financial risks associated with leaving dependents unprotected. There were some application delays and new questions and underwriting protocols (e.g., using electronic health records as a substitute for medical exams) and no-exam policies at prices similar to those with exams.[82] Interestingly, there were fewer death claims than originally expected as a result of COVID-19 as it disproportionately killed people without life insurance policies.[83]

Business interruption insurance. Court rulings upheld rejections of business interruption insurance claims by insurance companies.[84] Business owners with policies purchased to cover the risk of having to close down their business were not able to successfully make claims. The insurance industry maintained that the policies were intended to cover events, like fires, where rebuilding can occur, pandemics are not a covered risk, and insurance companies cannot operate profitably when many people experience losses at the same time.

Auto insurance. Quote requests for auto insurance increased 147 percent from March to August 2019 to that same time period in 2020.[85] While people were driving less due to pandemic restrictions, they also had more time on their hands to conduct online searches and were motivated to find different ways to cut household expenses. Many auto insurance companies also rebated a portion of premiums back to policyholders for several months as a "goodwill gesture" due to curtailed driving during COVID-19 lockdowns.[86]

Retirement planning. There was an increase in 2020 of state-sponsored retirement savings plans for the 59 percent of American workers who lack a pension or any retirement account.[87] Also, nearly 2.9 million baby boom workers left the workforce from March to August and this was expected to climb to 4 million by year-end.[88]

Social Security benefits. Many unemployed older workers collected permanent actuarily reduced benefits earlier than planned to make ends meet following COVID-19-induced job losses.[89] As a result of earlier benefit claiming and reduced contributions by workers due to widespread unemployment, Social Security is dipping into its reserves and is projected to run out of money in 2032 rather than 2036 as estimated before the pandemic.[90] Social Security beneficiaries received a 1.6 percent cost-of-living adjustment (COLA) in 2020 and the Social Security wage base (maximum taxable earnings) was $137,700.[91]

Social Security taxes. Many employers chose not to defer the 6.2 percent OASDI payroll tax for Social Security into 2021 due to administrative and employee morale concerns.[92] Instead, they simply left employee paychecks alone. The OASDI deferral executive order by President Trump, designed to halt taxes from September to December 2020 only to have employees pay double taxes in January to April 2021 if Congress did not waive the amount owed, was implemented for federal government employees and service members.

Online sales and coupon clipping. COVID-19 accelerated trends that were already underway. As an example, digital coupon redemptions surpassed paper coupons for the first time.[93] In July, 31 percent of coupons were redeemed digitally and 26 percent from newspaper inserts (versus 23 percent and 31 percent, respectively, in 2019). Marketers found it easier to target customers online and did not need the long timeline that newspaper inserts and circulars require. Online shopping surged in September with a 43 percent increase from 2019 in online sales.[94] Online car buying accelerated the auto industry's use of technology and home delivery services to sell cars.[95]

Fewer purchase options. Retailers and restaurants "slimmed down" consumer choices as a result of supply chain bottlenecks, production slowdowns, lower sales volumes on less profitable products, and concerns about product preparation safety.[96] Examples include fewer unique items on supermarket shelves, fewer items on restaurant menus, and reduced or delayed shipments of "big ticket" items, including motorcycles and cars.

College enrollment. There was a 4 percent decrease in undergraduate enrollment at U.S. colleges and universities in fall 2020, including a 16.1 percent decrease in first-year students.[97] Many would-be students decided to postpone their studies due to considerations such as financial strains when parents lost jobs, the risk of travel to COVID-19 hot spots, and the quality of online courses by colleges switching to remote learning.

Home sales spike. Sales of existing homes increased 24.7 percent in July from June.[98] This was a record increase. As sales increased and housing supply fell, home prices rose, with a median price of $304,100. Reasons for the increase in home buying include people with stable jobs gaining increased purchasing power from low interest rates and buyers able to work from home relocating from cities to less densely populated suburban areas for social distancing.[99]

Tax-related housing relocation. Data released by the U.S. Census Bureau and the IRS in 2020 indicated that moves from high-tax states to low-tax states accelerated in recent years.[100] One reason cited for this trend was the 2017 Tax Cuts and Jobs Act, which limited the federal income tax deduction for state and local taxes (SALT) to $10,000, regardless of the actual amount paid. The SALT cap took effect in 2018, resulting in an increased effective federal tax rate, especially for high earners living in high-tax states.

Other housing trends. Lenders imposed higher standards for home equity lines of credit (HELOCs) to reduce their risk of loss, making it difficult for people to access HELOCs for emergency cash.[101] Occupancy in senior housing hit a 15-year low amid pandemic-related fears and centers restricting new residents.[102] Millions of out-of-work Americans struggled to make rent payments. To avoid evicting tenants in the middle of a pandemic, the Centers for Disease Control and Prevention (CDC) ordered a nationwide moratorium for non-payment of rent through the end of December for tenants who signed a CDC declaration that they could not afford their rent as a result of COVID-19 financial impacts.[103] A future rent crisis is predicted.

New mortgage refinancing fee. With interest rates at record lows, many homeowners refinanced their existing mortgages. Mortgage refinancing was up more than 200 percent from a year ago.[104] The federal agencies Fannie Mae and Freddie Mac, which hold a majority of all U.S. mortgages, imposed a 0.5 percent fee on refinanced loans of $125,000 or more after December 1 (postponed from an original date of September 1).[105] This fee was announced by the Federal Housing and Finance Agency (FHFA) in mid-August and implemented as a way to recoup costs from mortgages with pandemic-related forbearances. Called the Adverse Market Refinance Fee, it adds a new expense for home-buyers.[105] For example, the fee on a $300,000 refinanced mortgage is $1,500 ($300,000 x .005), which is added to loan closing costs.

Young adults living with parents. For the first time ever, more than half (52 percent) of 18- to 34-year-old young adults were living with their parents in July, up from 47 percent in February. According to the Pew Research Center, "we are now at levels last seen during the Great Depression" (48 percent in 1940).[106] This statistic includes children decamping from cities, jobless college graduates, undergraduates taking online classes at home, and those taking a gap year. Parents' finances are impacted as a result (e.g., food, utilities, car insurance, emergency loans to children), which reduces income available for retirement savings.[107]

Millennials near middle age. The oldest members of Gen Y (millennials, born 1981-1996) turned 39 in 2020 and are on the cusp of middle age.[108] This generation has been slammed by two major recessions since they entered adulthood: the 2008 Great Recession and the current one in the wake of COVID-19. Three in ten millennials live with a spouse and child versus 40 percent of Gen-Xers at a comparable age.

Gen Z entering the workforce. The oldest members of Gen Z (born 1997-2012) are 23, college or post-secondary school graduates, and entering adulthood.[109] Gen-Zers are more ethnically and racially diverse than any previous generation, digital natives, and on track to be the best-educated generation in U.S. history. They are estimated to become the largest U.S. consumer population in 2026.[110]

Airline policy changes. In an attempt to lure back customers wary of flying and eliminate a barrier to making advance travel plans during the pandemic, the "big three" U.S. airlines (United, American, and Delta) announced that they were (at least, for a while) removing flight change fees on most U.S. domestic flights.[111] Some carriers also temporarily blocked middle seat assignments to promote social distancing.[112] Most airlines offered vouchers, not refunds, for flights canceled by consumers due to COVID-19 concerns.[113] Refunds are only required by law when airlines themselves cancel flights. There was some anecdotal

evidence, however, of travelers successfully disputing airline charges with their credit card company.[114]

Travel insurance. Many would-be travelers who paid hundreds, if not thousands, of dollars in advance deposits for travel found out that basic travel insurance policies have pandemic exclusions or don't list pandemics as a covered reason.[115] Travel insurance companies also considered COVID-19 a "foreseen event" after it was declared a pandemic on March 11, 2020. Like airlines, some tour operators offered vouchers.

Frauds and scams. Credit and debit card scammers took advantage of the pandemic to prey on overwhelmed banks and consumers with attempted fraudulent transactions.[116] Some randomly tried sequences of numbers to locate real accounts while others used numbers stolen before the pandemic. Fortunately, most of these transactions were stopped before they affected cardholders. Hackers also bought brokerage account log-in information on the dark web and used it to empty victims' investment accounts.[117]

COVID-19 scams. Fraud pitches always follow current events and COVID-19 created a bonanza of opportunities for criminals, resulting in at least 7,283 complaints to the Federal Trade Commission (FTC) during the first quarter of 2020.[118] Specific scams included fake "vaccines" and test kits, price-gouging on needed items, charity scams, and links with malware used to steal personal identification information.

COVID-19 impacts. The pandemic brought changes to many aspects of people's lives. Some observers noted that many Americans were processing these changes similar to the grieving process.[119] In addition to the deep divide between financially distressed and "unscathed" workers, other stress points were boredom, isolation, lack of daily structure, vanished opportunities, remote learning, and too much "togetherness."[120] The most vulnerable groups affected by COVID-19 include: older adults (due to ageism and COVID-19 risk), working parents, especially women (because of layoffs and no child care), low-wage workers (due to layoffs and COVID-19 risk), and people of color (due to service sector layoffs, health disparities, and fewer financial resiliency resources).

Diversity, inclusion, and racism. Social justice became a "hot topic" in 2020 following protests that erupted after the death of George Floyd at the hands of Minneapolis police in May. In July, the National Association of Insurance Commissioners (NAIC) formed a Race and Insurance Committee to study diversity and inclusion in the insurance industry and whether current industry practices disadvantage minorities.[121] An example is the use of credit scores and certain demographic data to set car-insurance premiums.[122] The CFP Board held a virtual Diversity Summit to discuss ways to advance diversity in financial planning.[123] Industry organizations such as the Financial Planning Association (FPA)[124] and the Association for Financial Counseling and Planning Education (AFCPE)[125] publicly supported action to welcome and support diverse professionals and clients and to better understand the systemic barriers to financial security that minority populations face.

Government Legislation and Policy Changes

SECURE Act. The Setting Every Community Up for Retirement Enhancement (SECURE) Act, passed in December 2019, took effect in 2020. The law raised the age for required minimum distributions (RMDs) to 72, as noted above, and removed the age 70½ limitation for contributions to traditional IRAs.[125] Another key feature was modification of "stretch IRA" rules for non-spouse beneficiaries of inherited IRAs, who must now take withdrawals within a 10-year distribution cap. The SECURE Act also provided penalty-free IRA withdrawals for up to $5,000 following the birth or adoption of a child and new tax credits for small business retirement savings plans.

CARES Act. The Coronavirus Aid, Relief, and Economic Security (CARES) Act, a $2 trillion stimulus/aid package, was signed into law on March 27.[126] A key provision was a one-time payment (called a recovery rebate) of $1,200 for individuals and $2,400 for married couples, plus $500 per child, pro-rated by income. As noted above, the CARES Act also suspended 2020 RMDs. In addition, the CARES Act provided a $600 per week increase to state unemployment benefits through July 31 and deferral of federal student loan payments through September 30—and also, up to $100,000 of penalty-free withdrawals from IRAs and/or employer-sponsored retirement plans for COVID-19-impacted workers, with a three-year repayment period (from the withdrawal date) to avoid federal taxes and penalties. The CARES Act also instituted a $300 "above the line" charitable contribution deduction for taxpayers who do not itemize deductions, starting in 2020, and allows taxpayers to deduct up to 100 percent of their 2020 adjusted gross income (AGI) on charitable contributions (up from the previous maximum of 60 percent) and carry over any excess contributions for up to five years.[127]

Fiduciary rule. The U.S. Department of Labor replaced a controversial 2016 proposed rule for retirement plan advice that was vacated by a federal court in 2018 with a "five-part test" to determine if an individual providing investment advice should be considered a fiduciary.[128] A person who meets all five prongs of the test and receives direct or indirect compensation is considered an "investment advice fiduciary."

Military-Specific Financial Events

OASDI payroll tax deferral. Contrary to private sector employers, as noted above, the U.S. Department of Defense implemented a four-month deferral of the 6.2 percent OASDI (Old-age, Survivors, and Disability Insurance) tax for Social Security based on a presidential memorandum and IRS guidance.[129] Payroll deductions for OASDI tax were deferred from September to December 2020 to January to April 2021, when double OASDI tax will be deducted from service members' pay. If service members separate from service before April 2021, they are still responsible for the tax repayment.

Blended Retirement System. A 2020 report to Congress from the Department of Defense about the Blended Retirement System (BRS) stated that there were no negative effects on recruitment or retention from the switch from legacy retirement plans in the first three years of the BRS. It is estimated that up to 85 percent of completed service members will receive government retirement benefits versus 19 percent under the legacy plan. The military has a career-long focus on financial literacy with specific designated touchpoints (e.g., initial entry, entitlement for continuation pay, major life events) to increase the financial (and force) readiness of military personnel.[130]

Thrift Savings Plan (TSP). The TSP automatic enrollment percentage increased from 3 to 5 percent of pay for new or rejoining BRS members effective October 1.[131] BRS participants who stop TSP contributions are automatically re-enrolled at 5 percent of basic pay on January 1. TSP target-date (L) funds were switched to five-year intervals on July 1 with L Funds now running from 2025 to 2065 to provide more precise timing for TSP participant retirement dates.[132] The L 2020 Fund "matured" and was merged into the L Income Fund.

PCS Relocations. Permanent change of station (PCS) moves to service members' new duty stations were delayed in the Spring as a result of COVID-19.[133] As a result, "peak season rates" for movers were extended through November 15.[134] Military orders and moves were backlogged and some PCS moves may not be completed until 2021. Military families have had to be more flexible than usual in 2020 with plans sometimes changing due to lockdowns in the U.S. and other countries.

Repeal of the SBP/DIC offset. The fiscal year 2020 Defense Authorization Act repealed a decades-old policy that reduced the income of surviving military spouses. The Survivor Benefit Plan (SBP)/Dependency and Indemnity Compensation (DIC) offset (often referred to as the "widow's tax"), which affects over 65,000 widows and widowers of service members, will be repealed in gradual stages.[135] No changes will be made in 2020. In 2021, 2022, and 2023, one-third, two-thirds, and all of a surviving spouse's SPB benefit will be restored. Efforts had been underway for over 20 years to eliminate the widow's tax.

Financial Education

December 1, 2020 marked the 25th anniversary of the National Jump$tart Coalition, a Washington, D.C.-based non-profit that advocates for youth financial education. A virtual celebration was held to remember the past and look ahead to the future. 2020 also saw the development of revised financial education standards in states such as Wisconsin and New Jersey[136] and the start of work to develop new national personal finance standards that will replace existing Council for Economic Education and Jump$tart Coalition standards.

Next Gen Personal Finance, a California non-profit that provides curricula and professional development for teachers and advocacy for financial education, launched several new products, including school curricula, resources for math teachers, a blog series, and professional development courses, among other things.[137]

Looking Ahead to 2021

Modest changes were announced for Social Security in 2021, including the earnings limit, which will rise from $18,240 per year in 2020 to $18,960 per year in 2021.[138] The amount of earnings required to earn a quarter of coverage will increase from $1,410 in a three-month period in 2020 to $1,470 in 2021 and the maximum monthly Social Security benefit will rise from $3,011 per month (2020) to $3,148 (2021). Maximum taxable earnings subject to Social Security tax will be $142,800 in 2021, up from $137,700 in 2020. The cost of living adjustment (COLA) for Social Security benefits in 2021 is 1.3 percent.

Modest or no changes were announced for health-related savings plans. The contribution limit for self-only health savings accounts (HSAs) will increase by $50 in 2021 from $3,550 to $3,600.[139] Family plan contributions will increase by $100 from $7,100 to $7,200 and catch-up contributions for people age 55-plus ($1,000) will remain the same. The required amount for high deductible health plan (HDHP) minimum deductibles remains the same at $1,400 (self-only) and $2,800 (family), respectively, in 2021 and the HDHP maximum out-of-pocket amounts are up slightly to $7,000 (self-only) and $14,000 (family), versus $6,900 and $13,800 in 2020, respectively. The 2021 contribution limit for flexible spending accounts for health care expenses (health FSAs) remains at $2,750, the same limit as in 2020.[140]

Contribution limits for tax-deferred retirement savings plans in 2021 will remain the same as in 2020.[141]

The maximum amount workers can contribute to a tax-deferred workplace retirement savings plan (like a 401(k), 403(b), or Thrift Savings Plan) will be $19,500 in 2021. The additional maximum catch-up contribution for workers age 50 and older is $6,500, for a maximum contribution limit of $26,000 for older workers. The 2020 maximum contribution of $6,000 for an individual retirement account (IRA) will stay the same in 2021. With the $1,000 catch-up contribution, which also remains unchanged, the maximum traditional and/or Roth IRA contribution for workers age 50 or older at year-end 2021 is $7,000.

The 2021 Roth IRA income phase-out ranges will be $125,000 to $140,000 for singles and heads of household and $198,000 to $208,000 for married couples filing jointly.[142] The 2021 Retirement Savers Credit income limits will be $33,000 for singles and married individuals filing separately, $49,500 for heads of household, and $66,000 for married couples filing jointly.[143] The 2021 contribution limit for SIMPLE IRA plans will be unchanged from 2020 at $13,500 and the maximum annual pension plan benefit in 2021 will also be unchanged at $230,000.

The 2021 standard deduction amounts will increase slightly to $12,550 for singles and $25,100 for married couples.[144] The additional standard deduction for taxpayers age 65-plus, or blind people, is $1,350 (i.e., $13,900 for older individuals and $27,800 for a couple with both spouses age 65-plus). If an older or blind individual is unmarried and not a surviving spouse, the additional standard deduction amount is $1,700.

Summary

2020 was a year for the record books: a global pandemic, extreme stock market volatility and the shortest bear market in U.S. history, high unemployment, record high U.S. savings rates, historically low interest rates favorable to homebuyers, a spotlight on racial injustice and wealth inequality, multiple leniency provisions for financially distressed consumers, a contentious presidential election in a deeply divided nation, numerous hurricanes, and (lest we forget) the arrival of murder hornets on American soil. COVID-19 exacerbated existing pre-pandemic financial fragility and it will determine the country's economic recovery timeline.

There are three categories of Americans according to COVID-19 impacts: (1) reduced income and struggling; (2) stable income but anxious; and (3) increased income with opportunities. As always, financial planners are there to help address the needs of clients in each of these groups and the larger communities in which they live and work. ■

Endnotes

1. See the 90-minute webinar here: militaryfamilieslearningnetwork.org/event/56506/.
2. See gflec.org/wp-content/uploads/2020/08/Millennials-and-Money-Technical-Report-August2020.pdf?x38887.
3. See www.tiaainstitute.org/about/news/are-americans-financially-resilient-weather-covid-19.
4. See www.councilforeconed.org/wp-content/uploads/2020/02/2020-Survey-of-the-States.pdf.
5. See centerforfinancialsecurity.files.wordpress.com/2020/09/fin-ed-state-mandates-brief-9.20updated.pdf.
6. Ibid, page 5.
7. See economiapertutti.bancaditalia.it/notizie/2020/w27057-Lusardi-et-al.pdf.
8. See the Fernandes et al. paper at pubsonline.informs.org/doi/pdf/10.1287/mnsc.2013.1849?casa_token=Jb93X9wlQvsAAAAA%3AzeyHO0SUSBh0vx7-zI5j_GHjton-RzxbDQpB4arCuUFvw4O45tFu04_fO1enV-v9JznK15AA4h4nNo.
9. See www.researchgate.net/publication/339958039_Parental_Financial_Education_During_Childhood_and_Financial_Behaviors_of_Emerging_Adults.
10. See doi.org/10.1007/s10834-020-09679-8.
11. Ibid, page 542.
12. See gflec.org/wp-content/uploads/2020/08/Millennials-and-Money-Technical-Report-August2020.pdf?x38887.
13. Ibid, page 1.
14. See www.pewsocialtrends.org/essay/on-the-cusp-of-adulthood-and-facing-an-uncertain-future-what-we-know-about-gen-z-so-far/.
15. See search.proquest.com/docview/2394262698.
16. See search.proquest.com/docview/2410489353.
17. See newprairiepress.org/jft/vol11/iss1/3/.
18. See academyfinancial.org/resources/Documents/Journal/FSR_28_1_2020.pdf.
19. See academyfinancial.org/resources/Documents/Journal/FSR_28_1_2020.pdf.
20. See insights.digitalmediasolutions.com/articles/covid19-credit-card-rewards.
21. See www.nber.org/papers/w27190.
22. See papers.ssrn.com/sol3/papers.cfm?abstract_id=3590880.
23. See www.nefe.org/research/polls/2020/covid-19-concerns-survey.aspx.
24. See www.npr.org/sections/health-shots/2020/09/10/910724801/overview-of-poll-data-on-pandemics-damage.
25. See www.depositaccounts.com/blog/long-term-savings-habits-changes-amid-pandemic.html.
26. See www.consumerfinance.gov/data-research/.
27. See www.mymoney.gov/Pages/default.aspx.
28. See www.federalreserve.gov/consumerscommunities/shed.htm.
29. See pubmed.ncbi.nlm.nih.gov/32191675/.
30. See www.wsj.com/articles/recession-in-u-s-began-in-february-nber-panel-says-11591636626.
31. See www.wsj.com/articles/u-s-marriage-rate-plunges-to-lowest-level-on-record-11588132860.
32. See www.wsj.com/articles/u-s-birthrates-fall-to-record-low-11589947260.
33. See www.prnewswire.com/news-releases/negative-equity-on-vehicle-trade-ins-hit-all-time-high-in-april-according-to-edmunds-301057370.html.

34. See www.investopedia.com/irs-tax-payments-delayed-until-july-15-2020-4800123
35. See www.wsj.com/articles/covid-19-is-dividing-the-american-worker-11598068859.
36. See https://www.wsj.com/articles/fed-signals-interest-rates-to-stay-near-zero-through-2023-11600279214.
37. See www.wsj.com/articles/money-funds-waive-charges-to-keep-yields-from-falling-below-zero-11598261405.
38. See markets.businessinsider.com/news/stocks/us-mortgage-rate-falls-record-low-time-this-year-again-2020-8-1029479257.
39. See www.bankrate.com/mortgages/rates/mortgage-rates-for-monday-september-14-2020/.
40. See www.usatoday.com/story/money/2020/08/10/saving-and-spending-americans-spend-their-record-savings-crisis/3319970001/.
41. See fred.stlouisfed.org/series/PSAVERT.
42. See www.wsj.com/articles/ups-to-offer-employees-a-way-to-save-for-emergencies-11603360801.
43. See www.npr.org/2020/06/21/880958665/the-latest-pandemic-shortage-coins-are-the-new-toilet-paper.
44. See www.foxbusiness.com/markets/us-stocks-jan-10-2020.
45. See www.foxbusiness.com/markets/us-stocks-sept-2-2020.
46. See finance.yahoo.com/news/election-2020-stock-market-news-updates-november-9-2020-231320807.html.
47. See www.cnbc.com/2020/08/18/heres-a-list-of-stock-bull-markets-through-time-and-how-this-new-one-stacks-up.html.
48. See www.wsj.com/articles/apple-surges-to-2-trillion-market-value-11597848808#:~:text=Apple%20Inc.,needed%20to%20reach%20the%20milestone.
49. See www.morganstanley.com/press-releases/morgan-stanley-closes-acquisition-of-e-trade.
50. See www.washingtonpost.com/sports/2020/09/11/sports-gamblers-stock-market/.
51. See www.cnbc.com/2020/08/21/robinhood-is-having-a-moment-users-should-be-careful.html.
52. See www.wsj.com/articles/everyones-a-day-trader-now-11595649609.
53. See www.nbcnews.com/business/markets/dow-index-replaces-three-companies-markets-shake-n1238038.
54. See www.fool.com/investing/2020/08/22/apple-and-tesla-stock-splits-heres-what-you-should/.
55. See www.wsj.com/articles/global-stock-markets-dow-update-11-09-2020-11604888729.
56. See www.cnn.com/2020/11/24/investing/dow-stock-market-today-transition-yellen/index.html.
57. See www.prnewswire.com/news-releases/negative-equity-on-vehicle-trade-ins-hit-all-time-high-in-april-according-to-edmunds-301057370.html.
58. See www.nytimes.com/wirecutter/money/change-fsa-contributions-coronavirus/.
59. See www.fidelity.com/learning-center/personal-finance/retirement/understanding-the-secure-act-and-retirement.
60. See www.kiplinger.com/slideshow/taxes/t055-s011-tax-changes-and-key-tax-amounts-for-2020/index.html.
61. See www.wsj.com/articles/irs-provides-rmds-relief-for-retirees-11592935108.
62. See money.com/traditional-vs-roth-ira-conversion/.
63. See www.dailyherald.com/business/20200822/banks-are-putting-lower-limits-on-new-credit-cards.
64. See www.businessinsider.com/personal-finance/credit-card-limit-reduced-no-account-activity.
65. Ibid.
66. See www.pymnts.com/visa/2020/slowing-consumer-spending-stalls-visas-q2-results/.
67. See www.creditcards.com/credit-card-news/how-contactless-cards-work/.
68. See www.cnbc.com/select/what-is-contactless-card/.
69. See www.forbes.com/advisor/credit-cards/contactless-credit-cards/.
70. See www.wsj.com/articles/credit-card-providers-scramble-to-update-customer-benefits-as-international-travel-ban-drags-on-11599040800.
71. See www.cnbc.com/select/0-percent-apr-balance-transfer-offers-disappearing/.
72. See www.wsj.com/articles/how-to-boost-your-credit-score-despite-the-economys-woes-11603368001.
73. See www.realsimple.com/work-life/money/money-planning/fico-resilience-index-score.
74. Ibid.
75. See finance.yahoo.com/news/coronavirus-has-hurt-the-credit-card-fraud-business-180833505.html.
76. See www.experian.com/blogs/ask-experian/shimming-is-the-latest-credit-card-scam/.
77. See khn.org/morning-breakout/health-law-turns-10-in-midst-of-global-pandemic/.
78. See www.wsj.com/articles/health-coverage-costs-continued-steady-rise-pre-pandemic-11602165793.
79. See blog.definitivehc.com/3-trends-in-healthcare-as-covid-19-cases-stabilize.
80. See www.healthcarefinancenews.com/news/hospitalized-care-covid-19-averages-34662-45683-varying-age.
81. See www.cnbc.com/2020/10/14/life-insurance-sales-increase-due-to-coronavirus-pandemic.html.
82. See www.forbes.com/advisor/life-insurance/buying-during-pandemic/.
83. See www.wsj.com/articles/those-dying-from-covid-19-are-least-likely-to-own-life-insurance-11601285400.
84. See www.wsj.com/articles/insurers-gain-early-lead-in-covid-19-legal-fight-with-businesses-11598965200.
85. See www.insurancebusinessmag.com/us/news/breaking-news/report-covid19-led-to-surge-in-online-auto-insurance-quote-requests-230652.aspx.
86. See www.aarp.org/auto/car-maintenance-safety/info-2020/coronavirus-car-insurance-premium-refund.html.
87. See www.wsj.com/articles/states-take-aim-at-people-with-no-retirement-plan-11593945474.
88. See www.forbes.com/sites/tedknutson/2020/08/05/retirement-likely-to-be-forced-on-more-boomers-with-covid-19-surge-says-think-tank/?sh=6ae65a04594e.
89. See www.cnbc.com/2020/09/30/some-older-workers-forced-into-early-retirement-because-of-coronavirus.html.
90. See www.cnbc.com/2020/05/28/social-security-trust-funds-could-run-out-sooner-due-to-coronavirus.html.

91. See www.cnbc.com/2020/10/14/the-2021-cola-will-increase-social-security-benefits.html.
92. See www.wsj.com/articles/some-large-employers-reject-trumps-payroll-tax-deferral-plan-11599840079.
93. See www.wsj.com/articles/coupon-clipping-fades-into-history-as-covid-19-accelerates-digital-shift-11598702400.
94. See www.digitalcommerce360.com/article/coronavirus-impact-online-retail/#:~:text=U.S.%20online%20sales%20for%20September,increased%2042%25%20year%20over%20year.
95. See www.wsj.com/articles/the-pandemic-has-pushed-car-buying-online-its-expected-to-stick-11592658001.
96. See www.wsj.com/articles/why-the-american-consumer-has-fewer-choicesmaybe-for-good-11593230443.
97. See www.wsj.com/articles/college-enrollment-slid-this-fall-with-first-year-populations-down-16-11602734726.
98. See www.cnbc.com/2020/08/21/july-home-sales-spike-a-record-24point7percent-as-prices-set-a-new-high.html.
99. See www.marketwatch.com/story/mortgage-applications-for-suburban-homes-are-surging-as-buyers-try-to-escape-the-coronavirus-pandemic-2020-07-31.
100. See www.wsj.com/articles/blue-state-redistribution-11578443075.
101. See www.bankrate.com/mortgages/heloc-alternatives-when-lenders-pull-back/.
102. See www.bloomberg.com/news/articles/2020-07-16/occupancy-in-senior-housing-hits-15-year-low-on-pandemic-fear.
103. See www.cnbc.com/2020/11/09/worries-about-housing-crisis-mount-as-2021-approaches-with-no-stimulus.html.
104. See www.wsj.com/articles/mortgage-refinancings-boom-even-as-coronavirus-hits-economy-11599557401.
105. See komonews.com/news/consumer/surprise-mortgage-refi-fee-on-pause-until-december-but-some-borrowers-will-still-pay-now.
106. See www.cnbc.com/2020/09/08/majority-of-young-adults-now-live-with-mom-and-dad-due-to-coronavirus.html.
107. See www.cnbc.com/2020/09/08/majority-of-young-adults-now-live-with-mom-and-dad-due-to-coronavirus.html.
108. See www.pewresearch.org/topics/millennials/.
109. See www.pewsocialtrends.org/essay/on-the-cusp-of-adulthood-and-facing-an-uncertain-future-what-we-know-about-gen-z-so-far/.
110. See www.businessinsider.com/generation-z.
111. See www.wsj.com/articles/american-delta-end-domestic-change-fees-11598906013#:~:text=The%20moves%20on%20Monday%20by,hard%20by%20the%20coronavirus%20pandemic.
112. See www.usatoday.com/story/travel/airline-news/2020/10/22/southwest-airlines-stop-blocking-middle-seats-december-1/3720954001/.
113. See connpirg.org/blogs/covid-19/usp/cant-get-refund-your-airline-here%E2%80%99s-what-you-can-do.
114. See connpirg.org/blogs/covid-19/usp/cant-get-refund-your-airline-here%E2%80%99s-what-you-can-do.
115. See www.wsj.com/articles/insurers-often-deny-claims-for-pandemic-related-trip-cancellations-11598446800.
116. See www.wsj.com/articles/borrower-beware-credit-card-fraud-attempts-rise-during-the-coronavirus-crisis-11590571800.
117. See www.cnbc.com/2020/10/14/brokerage-log-ins-for-sale-on-dark-web-robinhood-sees-highest-prices-.html.
118. See www.wsj.com/articles/coronavirus-creates-an-epidemic-of-scams-11585601885.
119. See hbr.org/2020/03/that-discomfort-youre-feeling-is-grief.
120. See www.wsj.com/articles/the-strain-the-covid-pandemic-is-putting-on-marriages-11596551839.
121. See www.forbes.com/sites/advisor/2020/07/23/insurance-regulators-pledge-to-address-racism-and-discrimination-within-the-industry/?sh=66f21cdb2f2c.
122. See www.wsj.com/articles/insurance-group-to-scrutinize-rate-guidelines-for-racial-bias-11595494800.
123. See www.cfp.net/events/2020/11/2020-virtual-diversity-summit-and-career-fair.
124. See www.financialplanningassociation.org/fpa-message-need-inclusive-community.
125. See www.kitces.com/blog/secure-act-2019-stretch-ira-rmd-effective-date-mep-auto-enrollment/.
126. See www.kitces.com/blog/analyzing-the-cares-act-from-rebate-checks-to-small-business-relief-for-the-coronavirus-pandemic/.
127. See pcmlincoln.org/cares-act-allows-for-300-above-the-line-charitable-giving-deduction/.
128. See www.erisapracticecenter.com/2020/07/new-dol-fiduciary-rule-package-what-you-really-need-to-know/.
129. See www.usar.army.mil/Portals/98/Military%20Payroll%20Tax%20Deferral%20FAQ.pdf
130. See www.fairchildfamilysupport.org/military-touchpoints.
131. See www.tsp.gov/making-contributions/.
132. See www.fedweek.com/tsp/tsp-updates-l-funds-to-five-year-increments/.
133. See www.militaryonesource.mil/moving-housing/moving/moving-and-deployment/travel-restrictions-may-impact-pcs.
134. See www.hawaiilife.com/blog/2020-pcs-moving-season-extended/.
135. See www.militaryfamily.org/the-widows-tax-will-be-eliminated/.
136. See dpi.wi.gov/finance for Wisconsin and see www.state.nj.us/education/cccs/2020/2020%20NJSLS-CLKS.pdf for New Jersey.
137. See the resources from Next Gen Personal Finance at www.ngpf.org/.
138. See www.ssa.gov/news/press/factsheets/colafacts2021.pdf.
139. See www.shrm.org/resourcesandtools/hr-topics/benefits/pages/irs-2021-hsa-contribution-limits.aspx.
140. See www.shrm.org/resourcesandtools/hr-topics/benefits/pages/2021-fsa-contribution-cap-and-other-colas.aspx.
141. See www.irs.gov/retirement-plans/cola-increases-for-dollar-limitations-on-benefits-and-contributions.
142. See www.irs.gov/newsroom/income-ranges-for-determining-ira-eligibility-change-for-2021.
143. See www.moneytalksnews.com/this-overlooked-retirement-tax-credit-gets-better-in-2020/.
144. See www.investopedia.com/2021-tax-brackets-other-tax-changes-5084597.