

0 (6s):

Welcome to the Clark. Howard show our mission to serve and empower you. So you make better financial decisions in your life. You know, today everyone's talking about the coming economic recovery, but I have a warning for you in your own life. Also out of hardship can come opportunity. I'm not to share with you one reason. This might be the right time for you to open your eyes own business. So we as consumers, in many cases have felt imprisoned over the last year of the epidemic.

0 (48s):

And a lot of people who have maintained employment have found they've actually spent less money over the last year. Even if they have maintained employment. Obviously we have tens of millions of Americans, perhaps 50 million or so who have suffered severe financial hardship to moderate financial hardship through the pandemic with job loss, income loss, loss businesses in the rest. The rest of the workforce has generally been in better financial condition over the last a year because they flat out haven't had the things to spend money on.

0 (1m 31s):

They spent before. And this is something that I know I'm always taking away people's candy and handing you that carrots or other vegetables. But the reality is the pandemic. Ironically enough has provided a lot of people time to improve their financial situations. At the same time, we hunger for normal. We want our old lives back.

0 (2m 10s):

And as long as you're thoughtful about that fine, what I worry about is that people who may be were living a Debt lifestyle, going in to the pandemic and have been able to really fix that financial profile. If you maintain your employment over the last year, now you're suddenly going to feel like, Hey, life is coming back to normal. I wanted to do things. And that's great to the point that you don't get yourself back into Debt.

0 (2m 54s):

That's the big thing. This has caused so much sadness in so many families, more than half a million Americans deceased from COVID. And then there are those who have endured, stayed healthy or recovered from being sick. And our finances actually weirdly got better. Don't give that up a lot's gone on to get there. So be careful what you do. Spend I want to give you an example of that. I've talked recently about the more and more widespread offering of pay.

0 (3m 39s):

Now buy now pay later. This is something that has been very popular in Australia for a long time and has become a big thing in the United States over the last year, during the pandemic where shopping online and at many in-person physical stores, you have an option of not paying with a debit card or cash or credit card, but having interest free payments spread over a number of months, depending on the off, or paying a payment every couple of weeks or paying once a month. And that is an alternative that many people have

been attracted to because it doesn't give you more debt on a credit card, but it still is an obligation.

0 (4m 31s):

That is a form of debt. I wanted to tell you from a survey bank credit karma, this goes back to the be careful thing for out of 10 people who use buy. Now pay later, miss payments, four out of 10 and three quarters drop their credit score by using it. So I know it's an impulse kind of thing because I'm not talking about the traditional no, no, no plans with furniture where they say no payments for three years, or you buy appliances and no payments for a year. And all that stuff. I'm talking about small purchases, like a women's clothing item or an accessory or something like that.

0 (5m 18s):

Somebody, it might be 40, 50, a hundred dollars, something like that, where you spread the payments over a number of months, interest free. Now, how do they make money? They charge the retailer. What are called discount points, where the retailer gets only maybe 95 cents on the dollar for your purchase, but they know that it gets people or on the fence about buying something to buy it. But if it's buying something, you're going to have trouble paying for it later. It's not worth it is not worth it. If you're going to impact your credit score or get hit with penalty fees for not being able to make your payments on time.

0 (6m 4s):

Remember those numbers four and 10 miss payments and three quarters while were their credit scores for more on healthy eating. No, didn't it sound like that Krista. I mean, that was really

1 (6m 18s):

All right. Well, Kathleen in Georgia says I hit a deer in a rental car. I declined rental insurance and I have my own liability insurance who pays. And what steps do I take?

0 (6m 30s):

So one thing is you decline the rental insurance. Think back what credit card you used for the rental that credit card may have the benefit of secondary collision coverage. And you may not even know that. So that would be the first thing I check second is if you've not done, so you need to be in contact with your own automobile insurer, who will then handle a minus your deductible. The claim that the rental car company has with you, you may find that the insurer and the rental car company get into a back and forth about junk fees.

0 (7m 10s):

The rental car companies try to charge. So you want to be really aware about how the claim is being processed. So you don't get hit with a balance bill. The good news, getting into a situation where you hit a deer is you didn't say you or hurt in any way. And that's the important thing

1 (7m 30s):

Kathy in California is interested in the Tesla model. S I don't have solar at my home, and I'm wondering how much I can expect my electric bill to increase each month. Also, do you have any tips on negotiating price or is that not possible with Tesla?

0 (7m 46s):

So Tesla, the price is the price, but you will find that if they have vehicles in existing inventory, that you may get a deal that way, particularly if they have discontinued a per a particular version of the model, S which they did recently, if there's any existing inventory out there that would potentially get you a lower price, because something different than Tesla usually does when they decided that we're going to make a new version of the ES the price went up \$10,000 from the prior version, new and improved, I guess.

0 (8m 27s):

So any existing inventory SS will be cheaper and may in fact be cheaper than what their price had been, which was a base of \$69,420. Not that I know the amount of now, the new one is 79,990. So the other thing with Tesla is if you buy a recent S a used one, you may find the deal on the increase in your electric bill. It will be ridiculously tiny in terms of an effect on your prices, because the effect of fuel economy of an electric vehicle is typically five times more efficient than what you have with a gas engine vehicle of equivalent size.

0 (9m 20s):

So figure more or less, you're going to average an energy equivalent of about a hundred miles a gallon. So even living in California with the ultra high electric rates, you have, you'll find that the incremental impact on your electric bill, unless you drive enormous miles every week will be not even noticeable. You notice to you have a Tesla. If you notice any difference in your electric bill at all, and you don't have solar.

1 (9m 55s):

Robert now Obama says are small business has an old fashioned landline for which we have to pay for long distance phone calls. By the minute you don't know you don't. Oh, yeah. Where and how do I research? Who offers the cheapest long distance calling rates in my area or state? Okay.

0 (10m 18s):

Shallow breathing. I've been on the air since the mid 1980s and radio. And then more recently with our show migrating to podcast. And we used to have one of our most common questions was about how to save on long distance. I can't remember the last year we had a question about long distance cause nobody pays for long distance. Any more Robert is killing me. So with your business phone service, I'm guessing you have internet service at your business. If you have internet, you can get one of the business line backbones that will have unlimited free long distance and lower monthly fees for your phone service.

0 (11m 8s):

You can look at Ooma for business. You can look at pack at eight, and there are any of a number of

providers of internet backbone, a phone service, where you can port your number from the old fashion phone company and move it to Internet service. The weird thing, even if you don't now have internet services at your business, it's likely cheaper for you to pay for internet service. So you can backbone your business phone line on it, because it'll be so much lower costs.

1 (11m 45s):

Anthony in Georgia says, I have a sister who worked for a convenience store from 1999 to the year 2004. During this time she was contributing to her 401k shortly after she quit, they were bought by a rival. She assumed since she quit, the money was forfeited. So she just never inquired about her account. I know the money's still in the account growing, and I need a little advice as to how to get it.

0 (12m 10s):

This was purchased by circle K correct. Circle K is a huge player in the convenience store industry. And the money in that 401k she had is safe. It should be available to her. It's a question of exploring where that money might be. So the first thing is to start with the corporate bureaucracy at circle, K, that's not going to be the easiest process of all to be able to work your way through. And that's where I would begin. The key is your sister, or if you are going to be her advocate, you need to have stick to it.

0 (12m 55s):

Of course, because they may say, Oh, well not us. You don't talk to us. And when you know, we just bought them, blah, blah, blah. But that money is still there somewhere. And it's a matter of finding who's holding it, who's administering it. And then her access to it does not go stale simply because the enterprise was sold to circle. K. If you try your best efforts to find your way to this money and you can't, I want to hear back from you and let's see Anthony, if we can give any further guidance to your sister next, I want to know, have you ever thought about opening your own business?

0 (13m 40s):

How about a restaurant? It's not for the faint of heart, but you know, if it's your dream to be an entrepreneur, this could be one of the best times in your wife time to do it.

2 (13m 53s):

This episode is brought to you by progressive saving money on your car. Insurance is easy with progressive. It's an average savings of over \$750 for customers who switch. And Save in fact, customers can qualify for an average of six discounts on your auto policy with progressive, including discounts, just for starting a quote online, or having multiple vehicles on their policy. Get your quote online@progressive.com and see how much you could be saving national annual average auto insurance savings by new customers surveyed in 2019 potential savings will vary discounts, vary and are not available in all States and situations.

2 (14m 33s):

Spring is just about to spring. As we speak. It's the perfect reminder to tidy up and get your life in order. Why not start with protecting your family with life insurance policy genius could help you compare top insurers in one place and save 50% or more. Once you find your best option, the policy genius team will set up your new policies for you and answer any questions you have along the way. Here's how you can get started. First had the policy genius.com in just minutes. You can work out how much coverage you need and compare quotes to find your best price. Policy genius makes it easy to compare policies from as little as \$15 a month.

2 (15m 15s):

You might even be able to skip the in-person medical exam. And since the policy genius, licensed agents work for you, not the insurance companies, there's zero hassle. If you hit any speed bumps during the application process, policy genius will take care of everything that kind of service has earned policy genius of five star rating across thousands of reviews on Trustpilot and Google. And what's the best part. All the benefits of PolicyGenius, the comparison tool, the handling of the paperwork, the unbiased advice are totally free to use. So while you're tidying up around the house this spring, why not get your life insurance organized to you could save 50% or more by comparing quotes and feel good knowing that if something happens, your loved ones will be taken care of, go to policy genius.com to get started policy genius.

2 (16m 10s):

When it comes to insurance, it's nice to get it right.

0 (16m 14s):

I'm seeing stories from all around the country about how people with an entrepreneurial spirit are using the backdrop of the difficulties that have attacked retail and restaurants, to be able to open a business at much lower risk and lower cost than it would be. Normally. In fact, on one day I saw stories from each coast and from ABC news about all the opportunities that exist and the restaurant business. There are people who are either already successful restaurant owners that have been able to navigate the pandemic or people who are putting together funds private equity to take advantage of The greatly reduce rents for restaurant and retail spaces.

0 (17m 15s):

And then on top of it, the glut of restaurant equipment, I read a story about how equipment is in such over supply that a lot of restaurants, surplus sellers aren't even being willing to take stuff for free. That is being disposed of by landlords who have had to evict restaurant operators or a restaurant operators trying raise some capital when they do close the location. This is to my knowledge unprecedented, the opportunity that exists is we are clearly months away from emerging to a more normal life is the pandemic of Corona virus becomes something we manage and say no to something that interfere so much and day to day life.

0 (18m 18s):

And so The vacancies. Gosh, if you drive around and can you believe it, how many vacant storefronts you see how many vacant restaurants? And I think first about the people whose dreams have been crushed, you know, I'm such an entrepreneur at heart that it just eats at me. People who no fault of their own had their businesses to destroy by COVID. But the reality, every time we have a big recession, every time we have something that reverses economic activity, there are always those who benefit in the process of picking up the pieces.

0 (19m 10s):

And this is a time more so than any other form of retail space that would be restaurant tours, have a fantastic opportunity. And then other general businesses with the vacancies extreme the place I go for yoga. Yes, it's true. I go to yoga twice a week. Anyway, Not mistake to you anyway, all around the yoga studio spaces have vacated one after another, after another, after another, after another to the point that when I go to yoga, I parked right at the front door.

0 (19m 53s):

Now a hundred percent of the time I used to have to park like in an out parking because it used to be a very busy shopping center. And it's a big one. And now the overwhelming number of spaces are flat out empty. So there's going to be a window where landlords are going to make real Deals. So if you have a business idea, a restaurant idea concept, this is on the edge of real true Not once in a lifetime opportunity, but seriously, Rare opportunity for you to do your own thing.

0 (20m 38s):

Krista,

1 (20m 40s):

Dave in Indiana says my fiance and I would like to fly out from the Midwest to the West coast to get married this summer. Congratulations. We aren't very experienced travelers. I probably won't qualify to be vaccinated until afterward. So should this be concerned for me flying? What things should I consider as far as purchasing my tickets since COVID precautions, probably one of changed much. Should I look into Trip insurance? How does an inexperienced traveler plan for a trip like this?

0 (21m 11s):

Well, David, first things first, if you're getting married and the summer, the odds that you won't have been able to get vaccinated by the time of your marriage is not a, it's not zero chance that you won't be able to, but it's close to zero. You're gonna be able to get your vaccination if you want it. If you look at the raw numbers of shots in arms every week now, which is about it's about 11 and a half million a week at this point, and the number of keeps rising, we're going to be at a point in the spring where the big problem is going to be encouraging the people that are on the fence about getting a vaccine to get one.

0 (21m 55s):

It's not going to be what we're dealing with right now, which is the endless frustration of people trying to find an appointment, make an appointment, make it, fit their schedule and go get a shot. So public health departments and other organizations are getting better and better at being efficient at giving the shots, not everywhere, moving as efficiently as everywhere else, but it is happening. And we are going to have the ability for you to get vaccinated before you get married. Second thing on travel. So if you buy tickets, now, the tickets do not have penalties, so you could book a ticket.

0 (22m 41s):

And then later, if it doesn't work for you to take the trip this summer to the West coast or flying out West, you would be able to have the value for future travel. But I believe everything is going to be just chill by summertime. You going to be able to get your shots. You are going to be able to take the trip and you are going to be a okay trip insurance. In this case, I don't think is valuable or worth it. As far as planning a trip, I'm go to for the flights, go to [google.com/flights](https://www.google.com/flights) and see what fares are out there.

0 (23m 24s):

And then in addition to check, what's available on Southwest airlines, because their fares don't show on [google.com/flights](https://www.google.com/flights), and you can bring up a fair map. You can see all the choices and you will find amazingly cheap fares buying them now for planning, actual parts of your trip. I love TripAdvisor. Oh, and for things to do. And Places that people really like to go too. And the posts that people put on TripAdvisor will be very helpful to you and congratulations to you on your future life, together with your fiance

1 (24m 2s):

And Lisa in Washington wrote in and said, it's my practice to never give my Social Security Number out, including to my medical providers. I was surprised recently when my physician had me sign a preprinted form, confirming my personal information in the last four of my social security number was listed. Do I have the right to ask them to remove that information from my account with them? I'm not sure how they obtained it. And with all the sharing of medical records, I feel that this information is now just out there and I have no control, which does not seem right. I have medical insurance and not on Medicare by the way. So they really don't need my social

0 (24m 42s):

Lisa here, here. And, you know, I never put in my social security number on any medical form. And last year when I had the occasion of having to have a test at a hospital on the forms, preprinted for me was the last four of my Social Security Number. I have no idea where it came from, how they had it, because I promise you, I always leave that blank on medical forms. And the truth is when somebody has your last four, they're pretty good at being able to suss out the other five numbers.

0 (25m 23s):

So this is an unfortunate thing, and we've had a lot of pushback from doctors and other people in the medical industry saying that they need our social security numbers in case we don't pay our bills. And that's what the collectors want to come after us. And that is a reckless practice because of the fact that half of all the identity theft data breaches. And I should say, not today, theft half of all data breaches in the United States have come from the medical industry, which has not been very good at having secure records.

1 (26m 7s):

You're not going to like this one from Eric in North Carolina, Car he says, I currently have a contract with a big alarm company to monitor my system at \$150, a quarter \$50 a month, \$50 a month for monitoring. Okay. His says, my, my system was hardwired during construction or my sensors and cameras proprietary items. When my contract comes up, how do I move on? Do I need to get all new hardware, which is an at large initial investment. I assume they all have web based apps now for consumer

0 (26m 44s):

Monitoring. Okay. Customer monitoring, sorry. Oh my goodness. Breeze I'd pay \$7 a month for monitoring. Monitoring keeps going down and down. There's a system I'm going to test recently. That's from Wyze w Y or Z that the monitoring is \$4 a month, I think is what it is. And you were paying 50 50 at the company. So you have it with us as a company that is a big national supplier burglar alarms. That has been a real source of complaints to us over the years with their rotten terrible stink and lousy contracts and extremely high monitoring costs and very high equipment costs on top of it.

0 (27m 31s):

I mean, they are the worst of all possible circumstances with the burglar alarm company. Now, one thing you've got to make sure is that your contract almost certainly with this sleazy company has what's known as rollover where if you don't give proper written notice, probably by certified mail by a date certain, and normally there's a window you automatically renew for multiple years at that rip off \$50 a month. Monitoring cost. As for the hardware. If you want to have a system, you don't replace by installing yourself like wring or simply Save or the Wyze win or something like that.

0 (28m 16s):

You need to have a local alarm company come in and see if they can take over monitoring of your system if they can. And no hardware replacement is required. Do not sign a contract for monitoring because again, there's no reason you should be in a contract. A reasonable monitoring costs today from a traditional alarm company is mid to high teens, never more than 20 a month. And then again, the self-install systems tend to have much cheaper cost up front and much cheaper ongoing monitoring. Wow. I'm going to have nightmares about that \$50 a month, Eric.

0 (29m 1s):

Oh man. And one of them, thank you for being a part of team. Clark just, don't make my heart race like that.

You made my heartbeat go up to 83 beats a minute with that. I'm usually chill around 55 to 60. Anyway, I want you to know that at team Clark. We have volunteers serving you to answer your money questions for days a week, visit Clark dot com slash CAC for more information and the hours and the phone number you call to get free. One-on-one advice.