What States & Local Governments Can Do to Support Immigrants' Financial Stability:

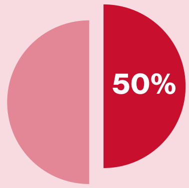
HOMEOWNER & TENANT PROTECTIONS

Current aggressive federal immigration enforcement has created massive disruption throughout the U.S. and significant financial hardship in impacted communities. Racial profiling by immigration officials means Black and Latino communities are particularly harmed.

People in impacted communities are reasonably concerned that any information they provide in connection with accessing financial services or in interactions with federal, state, or local government could be used to target them for detention and deportation, regardless of immigration status. Immigration officials' access to and use of an unprecedented array of information drives many immigrants out of the formal banking sector and leaves immigrant families exposed to abuse and predation by fringe financial service providers. Mainstream financial service providers may also be emboldened to discriminate against immigrants by the federal government's refusal to enforce fair lending and fair housing statutes. In addition, fear of being in public spaces can lead immigrants to miss court hearings and not assert their rights in debt collection, evictions, and other legal proceedings. Below are ways that states, counties, and local governments can help protect immigrants, their families, and communities from financial exploitation and other consumer abuses.

600%

The Trump Administration has increased the use of **"at-large" arrests in U.S. communities by 600%**, putting families at financial risk when wage earners are arrested.



According to **a Nov. 2025 report**, 50% of immigrants report difficulty paying for essentials — up from 30% in 2023 — and 50% say that it's increasingly difficult for them to earn a living.

The more comprehensive **What States & Local Governments Can Do to Support Immigrants' Financial Stability** issue brief contains NCLC's full list of recommendations. This document highlights the recommendations related to homeownership and rental housing.

Protect Immigrant Tenants

CONSUMER PROBLEMS	STATE SOLUTIONS
Detainees, their families, and those fearing detention may not be able to pay rent, leading to evictions and records that will appear on future tenant screening reports.	**Ensure that detainees and those fearing detention can seal/expunge any resulting eviction records.**

Protect Immigrant Consumer Data

CONSUMER PROBLEMS	STATE SOLUTIONS
Consumer data — including data shared with financial services companies, landlords, social services, colleges and universities, and utility companies — can be used to target people for immigration enforcement.	Where possible, prohibit collecting information about a person's immigration status. Prohibit sharing personally identifiable data that includes or can be linked to immigration status information. (E.g., MD Data Privacy Act.)

Bolster Anti-Discrimination Protections for Immigrants

CONSUMER PROBLEMS	STATE SOLUTIONS
Immigrants are subject to a wide variety of discriminatory housing and credit-related policies and practices.	Increase protections for immigrants in civil rights, human rights, and fair lending laws. Include explicit disparate impact liability and strong anti-retaliation provisions.
Financial assistance programs offered by private and public institutions, such as colleges, hospitals, and social services, can exclude people with certain immigration statuses.	Prohibit creditors and social service providers receiving state funding from discriminating against people with certain immigration statuses in applications for financial assistance.

Ensure Immigrants Can Access Courts and Counsel

CONSUMER PROBLEMS	STATE SOLUTIONS
Immigrants may fear appearing at civil court proceedings, such as eviction or debt collection lawsuits, due to fear of ICE arrest.	Ban civil arrests at and near courthouses (e.g., IL's HB 112, NY's SB S425A). Allow parties to opt in to participating remotely in court proceedings.

Require Language Access for Public Agencies and Financial Transactions

CONSUMER PROBLEMS	STATE SOLUTIONS
Immigrants seeking loans or facing debt collection may require in-language information to understand the transaction or vindicate their rights.	Require lenders and debt collectors to provide bilingual Spanish-English key notices to all, provide them in other top languages upon request, and broadly offer oral interpretation.
Immigrants receiving notice from state or local government agencies or the courts may not be aware of their rights described in the notice.	Require agencies to provide documents to all recipients in the top two languages used in the jurisdiction, provide them in other top languages upon request, and broadly offer oral interpretation. (NCLC report)
Lending products are pitched to immigrants in their primary language, but federally required Truth-in-Lending disclosures and monthly statements are available only in English.	Require lenders and servicers to provide key disclosures and statements in English and Spanish, provide them in other top languages upon request, and broadly offer oral interpretation.

Ensure Immigrant Access to Financial Assistance and Social Services

CONSUMER PROBLEMS	STATE SOLUTIONS
Immigrants are wary of going to social services offices for financial assistance because they fear these locations will be targeted by immigration officials.	Permit remote applications and remote appearances for appointments. Restrict access to city, county, and/or state property by immigration officers. (Vera report)
Federal financial assistance programs, including for utility assistance (LIHEAP) and student loans, exclude people with certain immigration statuses.	Expand state social services programs where federal programs exclude people with certain immigration statuses (e.g., 305 ILCS 20/20). Provide students with affordable repayment and relief options for debt.

Ensure Immigrant Access to Financial Assistance and Social Services *(cont.)*

CONSUMER PROBLEMS	STATE SOLUTIONS
Loss of income — because wage earners are detained or because families fear leaving their homes — leads households to struggle to pay mortgages, property taxes, student loans, auto loans, and other obligations, and harms credit records.	Require lenders and servicers to temporarily stay a foreclosure if the inability to pay is due to the detention of a wage earner that the borrower depends on for payment of the mortgage.
	Require lenders and servicers to offer forbearances or payment relief and in such cases to refrain from negative credit reporting per industry standards.
	Restrict warrantless access to non-public work areas by immigration officers (e.g., CA AB 450).
	Enhance financial assistance programs, including utility assistance and rental assistance. Create affordable payment plans for tax bills based on household income that waive past due interest. Allow temporary, interest-free deferral of taxes owed.

To speak to an expert about any of these problems or solutions, please contact Alys Cohen, acohen@nclc.org.

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