

# Unit 7

## Individual Assistance





# Portal Questions

This unit discusses several programs that provide assistance to individuals, families, and businesses following a disaster.

If you believe you already know this information, answer the questions below and check your answers on the next page. If you answer correctly, you may proceed to the next unit. If you miss any questions, or if you answer correctly but want to increase your knowledge, read this unit before proceeding.

For each Individual Assistance (IA) Program listed, enter the information requested.

| PROGRAM                          | MISSION/PURPOSE | ADMINISTERED BY | FUNDING | STATE ROLE |
|----------------------------------|-----------------|-----------------|---------|------------|
| HOUSING ASSISTANCE               |                 |                 |         |            |
| OTHER NEEDS ASSISTANCE           |                 |                 |         |            |
| HOME & BUSINESS DISASTER LOANS   |                 |                 |         |            |
| CRISIS COUNSELING                |                 |                 |         |            |
| DISASTER UNEMPLOYMENT ASSISTANCE |                 |                 |         |            |
| LEGAL ASSISTANCE                 |                 |                 |         |            |

# Portal Questions Answer Key

| PROGRAM                                   | MISSION/PURPOSE  | ADMINISTERED BY  | FUNDING   | STATE ROLE   |
|---|--|--|---|--|
| <b>HOUSING ASSISTANCE</b>                 | <i>Help people address their housing needs following a disaster</i>  | <i>FEMA</i>  | <i>100% Federal</i>   | <i>Identify group sites and coordinate code and restrictions</i>                         |
| <b>OTHER NEEDS ASSISTANCE</b>             | <i>Provide for necessary expenses and serious needs of disaster victims</i>  | <i>FEMA</i>  | <i>Cost Share<br/>= Federal 75%<br/>= State 25%</i>                       | <i>Approval of grants according to Federal standards</i>                                 |
| <b>HOME &amp; BUSINESS DISASTER LOANS</b> | <i>Make recovery from disaster affordable</i>  | <i>SBA</i>   | <i>Borrower repays U.S. Treasury at low interest rate provided by SBA</i> | <i>None</i>  |
| <b>CRISIS COUNSELING</b>                  | <i>Help disaster survivors recognize and manage post-disaster stress</i>   | <i>FEMA &amp; Center for Mental Health Services</i>                  | <i>100% Federal</i>   | <i>State mental health agency requests program and local mental health providers</i>     |
| <b>DISASTER UNEMPLOYMENT ASSISTANCE</b>   | <i>Provide benefits to individuals who are unemployed because of the disaster and not eligible for other unemployment benefits</i> | <i>Department of Labor</i>   | <i>100% Federal</i>   | <i>State Unemployment Agency must advertise DUA and take registrations/ applications</i> |
| <b>LEGAL ASSISTANCE</b>                   | <i>Provide free legal help to disaster victims (some limitations)</i>  | <i>FEMA &amp; Young Lawyers Division of American Bar Association</i> | <i>100% Federal</i>   | <i>None</i>  |

# Objectives

At the completion of this unit, you will be able to:

1. Diagram the Individual Assistance process.
2. Discuss Individual and Household Program (IHP) eligibility.
3. Describe State responsibilities for implementation of the IHP.
4. Explain National Flood Insurance Program (NFIP) requirements.
5. Compare Federal and State roles, responsibilities, and strategies for management of donated goods following a disaster.
6. Explain the major components of the FEMA Disaster Housing Program.
7. Describe the Small Business Administration (SBA) Disaster Assistance Loan Program in relationship to the Individual Assistance process.
8. Summarize the Crisis Counseling Assistance Program and the State's role in the program.
9. Discuss the Disaster Unemployment Assistance Program.
10. Identify other Individual Assistance programs.

# Topics

Individual Assistance Programs

Sequence of Disaster Assistance

Donations Management

Learning Check

Preparation for State Coordinating Officer Course

Supplemental Materials

# Individual Assistance Programs

When disaster strikes, individuals, families, and businesses feel the impact physically, financially, and emotionally.

Some are better prepared than others to face the consequences, because they have taken measures of preparedness by:

- ◆ Having insurance for property damage and medical care.
- ◆ Taking steps to limit damage with the construction and safety of their home.
- ◆ Practicing family disaster drills to help all members of the family feel confident that they can do what is needed in times of disaster.

Others have nothing – in preparedness or property, in financial capability or personal strength.

All disaster victims can receive assistance to help them recover from the event.

The purpose of IA programs is not to make all the victims whole again, but to help them recover a basic, safe living environment.



Cleanup begins in many communities of Oklahoma City.

Individual Assistance:

- ◆ Provides aid in a timely manner.
- ◆ Becomes available upon declaration of a major disaster.
- ◆ Is supplemental in nature.
- ◆ Meets disaster-related needs.

**IA Programs include:**

1. Emergency Assistance
2. Insurance Information
3. Individuals and Households Program (IHP), including Housing Assistance (HA) and Other Needs Assistance (ONA)
4. Home/Personal Property Disaster Loans
5. Business Disaster Loans
6. Crisis Counseling (CC)
7. Tax Assistance
8. Disaster Unemployment Assistance (DUA)
9. Farm Service Agency
10. Legal Assistance
11. Social Security Benefits
12. Veterans Benefits
13. Consumer Services
14. Aging Services
15. Cora Brown—only in special circumstances

On the following pages, you will see several tables that present an overview of each IA program along with references to relevant documents in the Supplemental Materials section.

## Individual Assistance Programs – Overview

| DISASTER ASSISTANCE FOR INDIVIDUALS AND BUSINESS OWNERS   |   |   |  |  |
|---|---|---|--|--|
| PROGRAM/AGENCY  | ASSISTANCE  | ELIGIBILITY   | SPECIFIC CRITERIA  | SUPPLEMENTAL MATERIALS REFERENCE   |
| <p><b>Emergency Assistance</b></p> <p>Coordinated by the American Red Cross and Voluntary Agencies Active in Disasters.</p>                         | <p>Emergency food, clothing, shelter, and medical assistance.</p>   | <p>Available to individuals and families with disaster-related emergency needs.</p>   | <p>The American Red Cross makes referrals to church groups and other voluntary agencies.</p>   |  |
| <p><b>Insurance Information</b></p> <p>State Insurance Commissioner, American Insurance Association, FEMA, and National Flood Insurance Program</p> | <p>Assistance and/or counseling regarding ways to obtain copies of lost policies, file claims, or expedite settlements.</p>           | <p>Available to individuals and families with disaster-related losses.</p>  | <p>N/A</p>   | <p>Insurance Information Checklist</p> <p>National Flood Insurance Program</p> |
| <p><b>Individuals &amp; Households Program: Housing Assistance</b></p> <p>Administered and funded by FEMA.</p>                                      | <p><i>Lodging Reimbursement</i></p> <p>Funds to assist with short-term lodging incurred in the immediate aftermath of a disaster.</p> | <p>Available to homeowners and renters whose permanent homes are uninhabitable or inaccessible because of the disaster.</p> |  | <p>FEMA Housing Assistance Fact Sheet</p>                                      |
|   | <p><i>Repair Assistance</i></p> <p>Grants for temporary housing or for emergency repairs.</p>   |   | <p>Grants made to homeowners who can return to their homes by making minimal repairs. Cap of \$5000 per disaster, adjusted annually based upon CPI.</p> <p>Homeowners with more substantial property damage may qualify for short-term rental assistance grants.</p> |  |

| DISASTER ASSISTANCE FOR INDIVIDUALS AND BUSINESS OWNERS |  |   |  |                                  |
|---|--|---|--|----------------------------------|
| PROGRAM/AGENCY  | ASSISTANCE   | ELIGIBILITY   | SPECIFIC CRITERIA  | SUPPLEMENTAL MATERIALS REFERENCE |
|   | <p><i>Rental Assistance</i></p> <p>Funds for the household to rent another place to live for a limited time. Not to exceed 18 months.</p>  | <p>Damage to dwelling; applicant needs to relocate</p>  | <p>Renters/owners may qualify for short-term rental assistance.</p> <p>Extensions may be granted case-by-case to a maximum of 18 months.</p> |                                  |
|   | <p><i>Direct Assistance</i></p> <p>Purchased or leased temporary housing units (such as mobile homes) provided directly to applicants.</p> <p>(There are instances where applicants receive repair/replacement and direct housing)</p> | <p>Applicants need to relocate</p> <ul style="list-style-type: none"> <li>• Limited housing resources available</li> <li>• Lost housing option</li> <li>• Damage to pre-disaster primary dwelling</li> <li>• Owner – pre-disaster primary dwelling destroyed</li> </ul> |  |                                  |
|   | <p><i>Replacement Assistance</i></p> <p>Funds may be awarded to owner-occupants toward replacement of their disaster-related destroyed primary residence.</p>  |   | <p>The statutory maximum is \$10,000, adjusted annually by the CPI.</p>  |                                  |

| DISASTER ASSISTANCE FOR INDIVIDUALS AND BUSINESS OWNERS  |  |  |   |                                      |
|--|--|--|---|--------------------------------------|
| PROGRAM/AGENCY   | ASSISTANCE   | ELIGIBILITY  | SPECIFIC CRITERIA   | SUPPLEMENTAL MATERIALS REFERENCE     |
|  | <p><i>Permanent Housing Construction</i></p> <p>Assistance in the form of financial or direct assistance for areas outside the Continental United States or in remote locations when alternative housing is not available and when other types of housing assistance are unavailable, infeasible, or not cost effective.</p> | <p>Owners –</p> <p>Pre-disaster primary dwelling destroyed - other types of housing not feasible, not cost effective, or not available to address disaster related housing need.</p> |   |                                      |
| <p><b>IHP: Other Needs Assistance</b></p> <p>Administered and funded by FEMA.</p>              | <p>Grants to meet serious disaster-related needs and necessary expenses not covered by insurance or other Federal, State, or voluntary agencies.</p>   | <p>Available to individuals and households with serious unmet needs.</p> <p>Some items are SBA dependent.</p>  | <p>Total assistance cap is \$25,000</p> <p>depending on family composition and needs. *Cap changes each fiscal year to accommodate Consumer Price Index.</p>        | IHP Fact Sheet                       |
| <p><b>Home/Personal Property Disaster Loans</b></p> <p>Small Business Administration (SBA)</p> | <p>Low-interest loans for restoring or replacing uninsured or underinsured disaster-damaged real and personal property.</p>  | <p>Available to individuals located in counties included in Presidential Disaster Declaration.</p>   | <p>Loans limited to amount of uninsured, SBA-verified losses.</p> <p><b>Maximum loans:</b></p> <p>\$200,000 - real property</p> <p>\$40,000 - personal property</p> | U.S. SBA Disaster Assistance Program |

| <b>DISASTER ASSISTANCE FOR INDIVIDUALS AND BUSINESS OWNERS</b>            |   |   |  |  |
|---|---|---|--|--|
| <b>PROGRAM/AGENCY</b>   | <b>ASSISTANCE</b>   | <b>ELIGIBILITY</b>  | <b>SPECIFIC CRITERIA</b>   | <b>SUPPLEMENTAL MATERIALS REFERENCE</b>                                      |
| <b>Business Disaster Loans</b><br><br>Small Business Administration (SBA) | Loans for the repair or replacement of destroyed or damaged business facilities, inventory, machinery, or equipment not covered by insurance.<br><br>Economic Injury Disaster Loans also may be available for working capital to assist small businesses during the disaster recovery period. | Available to businesses located in counties declared disaster areas by the President.<br><br>Available to small businesses located in declared and contiguous counties. | \$1,500,000 statutory loan limit (i.e., the combined amount of physical damage and economic injury loans cannot exceed \$1,500,000).                                   | U.S. SBA Disaster Assistance Program   |
| <b>Crisis Counseling</b><br><br>State Mental Health Agencies              | Immediate and regular services to meet mental health needs of those affected by a major disaster, including screening, diagnostic and counseling techniques, outreach, education service, and public information.   | Available to provide supplemental funding to State programs to meet the mental health needs of affected individuals located in the disaster area.                       | Regular services are provided for up to 9 months after the declaration.  | Crisis Counseling Assistance and Training Program Questions and Answers      |
| <b>Tax Assistance</b><br><br>Internal Revenue Service (IRS)               | Expedited Federal tax deductions for casualty losses to homes, personal property, or household goods.<br><br>Assistance and information on State income tax returns can also be obtained from the State Department of Revenue.  | Available to individuals and families with disaster-related losses totaling more than 10 percent of adjusted gross income.  | Under certain circumstances, a taxpayer may file an amended return during the year of the disaster or for previous years and obtain a tax refund in a matter of weeks. | IRS Help During Disasters and Emergencies<br><br>Taxpayer Help and Education |

| DISASTER ASSISTANCE FOR INDIVIDUALS AND BUSINESS OWNERS  |  |  |   |   |
|--|--|--|---|---|
| PROGRAM/AGENCY   | ASSISTANCE   | ELIGIBILITY  | SPECIFIC CRITERIA   | SUPPLEMENTAL MATERIALS REFERENCE  |
| <p><b>Disaster Unemployment Assistance</b></p> <p>Funded by FEMA; administered by State Employment Security Agency. Call your local State Employment or Job Services Office.</p> | <p>Weekly benefits available to individuals out of work as a direct result of the disaster.</p>  | <p>Available to all individuals out of work as a direct result of the disaster, including self-employed persons, farm owners, and others not covered under regular unemployment insurance.</p> | <p>Program assistance is available from time unemployed due to disaster up to 26 weeks after declaration.</p> <p>Proof of income required.</p>                                  | <p>Disaster Unemployment Assistance (DUA) Fact Sheet</p>  |
| <p><b>Farm Service Agency</b></p> <p>Rural Economic and Community Development Services and Consolidated Farm Service Agency. Call your county extension office.</p>              | <p>Emergency loans for physical or production losses.</p> <p>Grants for certain agricultural damage.</p>   | <p>Available to farmers who were operating and managing a farm at the time of the disaster.</p>  | <p>Loans limited to the amount necessary to compensate for actual losses to essential property and/or production capacity.</p>  | <p>Farm Service Agency (FSA) Fact Sheet</p> <p>Emergency Loan Assistance Fact Sheet</p> <p>The Noninsured Crop Disaster Assistance Program Fact Sheet</p> |
| <p><b>Legal Assistance</b></p> <p>Coordinated by FEMA; Young Lawyers Division of the American Bar Association.</p>   | <p>Limited Free legal services for low-income disaster victims.</p>  | <p>Available to individuals and families with disaster-related legal issues.</p>   | <p>Addresses such issues as replacing legal documents, transferring titles, contracting problems, will probates, insurance problems, and certain landlord-related problems.</p> | <p>Disaster Legal Services Fact Sheet</p>   |
| <p><b>Social Security Benefits</b></p> <p>Social Security Administration (SSA)</p>   | <p>Assistance expediting delivery of checks delayed by the disaster.</p> <p>Assistance in applying for Social Security disability and survivor benefits.</p> | <p>Available to individuals eligible for Social Security.</p>  | <p>N/A</p>  | <p>SSA Handbook</p>   |

| <b>DISASTER ASSISTANCE FOR INDIVIDUALS AND BUSINESS OWNERS</b>                |  |   |  |   |
|---|--|---|--|---|
| <b>PROGRAM/AGENCY</b>   | <b>ASSISTANCE</b>  | <b>ELIGIBILITY</b>  | <b>SPECIFIC CRITERIA</b>   | <b>SUPPLEMENTAL MATERIALS REFERENCE</b> |
| <b>Veterans Benefits</b><br>Department of Veterans Affairs (VA)               | Assistance with information about benefits, pensions, insurance settlements, and VA mortgages.                 | Available to provide help in applying for VA death benefits, pensions, and adjustments to VA-insured home mortgages.      | N/A  | U.S. VA Fact Sheet                      |
| <b>Consumer Services</b><br>State Department of Consumer Affairs              | Counseling on such consumer problems as product shortages, price gouging, and disreputable business practices. | N/A   | N/A  |   |
| <b>Aging Services</b><br>State Agency responsible for services                | Services to the elderly such as meals, home care, and transportation.  | Individuals age 60 and older.   | N/A  |   |
| <b>Other Individual Assistance</b><br>Cora Brown Fund (qualification is rare) |  | Money from this fund is awarded if it is shown that a case warrants additional assistance that cannot be met another way. | People cannot directly apply for this fund. Only on rare occasions the FEMA Regional Director, with assistance from other governmental agencies and disaster voluntary agencies identifies potential recipients. | Cora Brown Fact Sheet                   |

# Sequence of Disaster Assistance

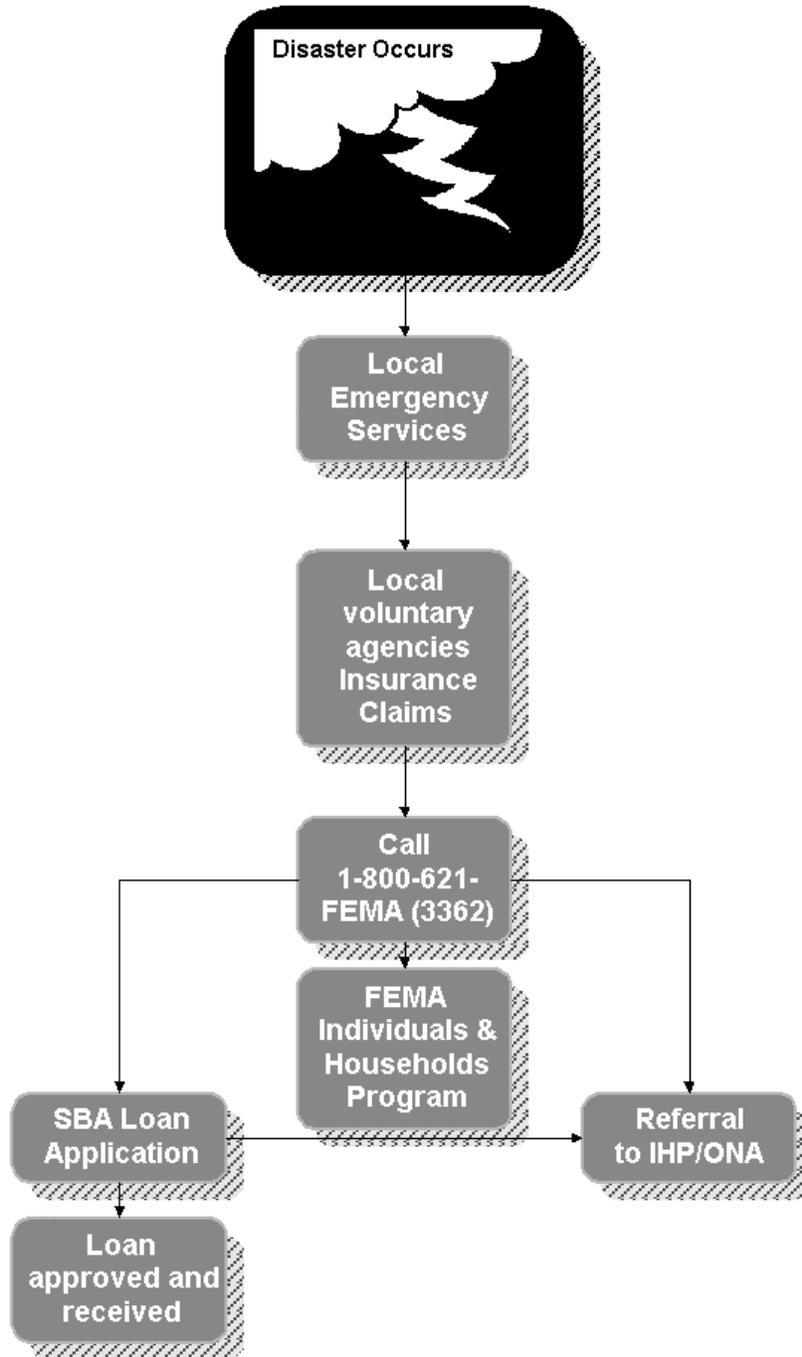
Disaster victims receive assistance from many sources at different times through the Response and Recovery timeframes.

1. Local resources provide the first response and assistance.
  - = Fire departments, law enforcement, emergency medical services, public works, and other local government agencies provide care during the early hours following a disaster. Local voluntary agencies like the Salvation Army, the Red Cross, and various community-based organizations (CBOs) assist to meet the needs of the victims.
2. Disaster victims must report their losses to their private insurance carriers. Insurance may cover all or part of the disaster losses for:
  - = Real and personal property.
  - = Vehicles.
  - = Medical expenses.
3. Disaster victims must register for additional assistance through the FEMA toll-free number, 1-800-621-FEMA (1-800-621-3362). This registration starts the process for all Federally sponsored and coordinated disaster assistance.
4. The FEMA Individuals and Households Program (IHP), Housing Assistance may be the first Federal program to provide assistance to disaster victims. This program has six key elements:
  - = Repair Assistance – to make it livable as quickly as possible (\$5000 cap).
  - = Rental Assistance – for alternate living while repairs occur.
  - = Lodging Reimbursement– for being out of home during mandatory evacuation or due to lack of access.
  - = Direct Assistance – to provide temporary housing directly to eligible victims.
  - = Replacement Assistance – to assist owner-occupants with home replacement (\$10,000 maximum).
  - = Permanent Housing Construction – for outside the Continental US when alternatives are not available.
5. Next in the sequence of delivery are Small Business Administration (SBA) loans. These low-interest-rate loans are available to qualified:
  - = Homeowners for real and personal property.
  - = Renters for personal property.
  - = Businesses for real property, inventory, and economic injury related to the disaster.
6. The FEMA Individuals and Households Program, Other Needs Assistance provides service to individuals and households whose serious needs and necessary expenses were not addressed in other ways.

7. An Unmet Needs Committee, involving VOLAG (Voluntary Agencies) and other State and local resources, may convene to determine critical needs that have not been met by the resources in the process to this point. This Committee tries to match the needs with other resources that may be available.
8. On rare occasions, issues are referred to the Cora Brown Fund. The FEMA Regional Director, with assistance from other governmental agencies and disaster voluntary agencies, identifies potential recipients.

The following page illustrates the sequence of delivery of disaster assistance programs.

## Sequence of Delivery, Disaster Assistance



# Donations Management

Another element of IA is the management of goods donated for disaster victims.

Most non-profit disaster assistance organizations encourage individuals to donate money to support their response goals. However, when a large disaster occurs, spontaneous campaigns arise around the country to aid the victims. Many of these instant disaster assistance campaigns encourage people to donate household items for the victims.

And some corporations prefer to donate goods that they produce rather than money.

It is not easy to deliver these goods to the victims without a planned delivery system. If the goods are not used, they may become a problem rather than the benefit intended by the donors.

The State has the responsibility for the management of donated goods. FEMA, the National Emergency Management Association (NEMA), the International Association of Emergency Managers (IAEM) and National Volunteer Organizations Active in Disaster (NVOAD) developed a National Donations Management Strategy to assist the State with this task.



Owensboro, KY -- Boxes of toys are among several hundred tons of goods being managed by the Adventist Disaster Services Team. The team is closing out donations of everything but construction and clean up supplies.

Photo by Jason Pack/FEMA News Photo

Within the NEMIS computer modules, States may use the standalone module on Donations Management. Check with your FEMA Regional Office regarding access to this module.

The following pages contain a checklist for coordinating State donations and a flowchart illustrating the donations management process.

## Coordinating State Donations Checklist

This checklist will help you understand the responsibilities for coordinating the State donations function. However, note that this list is not complete. Responsibilities may vary depending on the nature and scope of the disaster and according to the laws and regulations in your State.

### o Initial Responsibilities

- = Establish the legal basis for the State donations annex.
- = Organize the Donations Coordination Team (DCT) by:
  - Identifying key government and voluntary agencies.
  - Making initial contacts with potential DCT members.
  - Contacting the FEMA (regional) Human Services Officer (as necessary).
  - Conducting the initial DCT meeting.
  - Assigning DCT members to committees/subcommittees: Executive, Planning, Logistics, Transportation, and Communication.

### o Executive Responsibilities

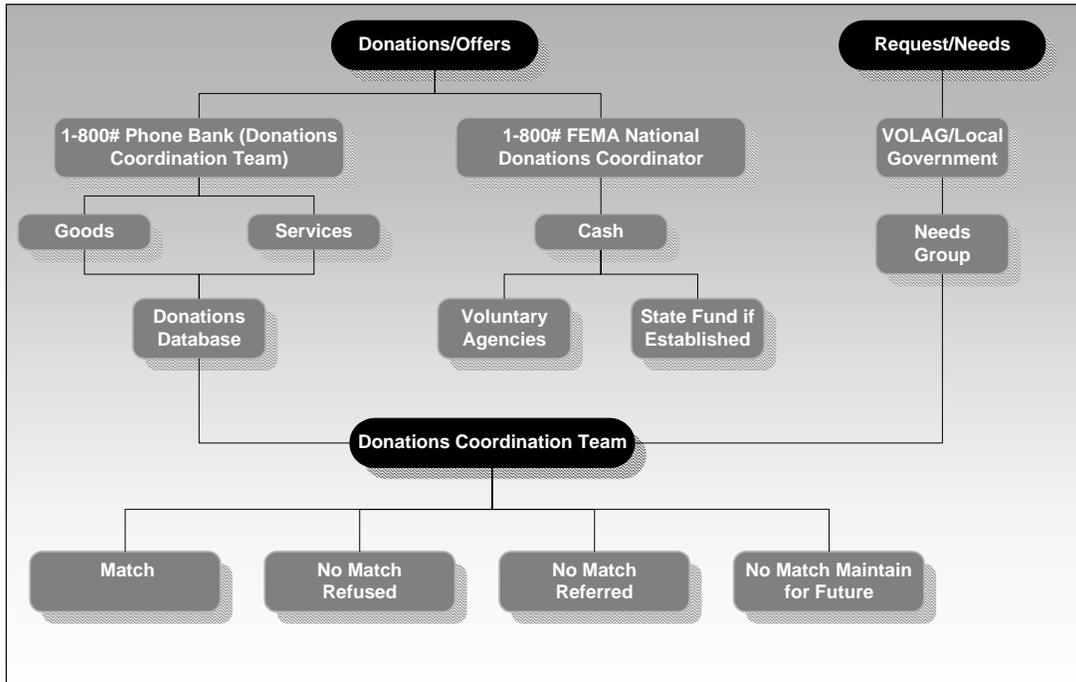
- = Determine when the donations annex will be activated.
- = Determine under what authority goods will be accepted.
- = Specify which VOLAGs are eligible to receive cash donations.
- = Determine if the State is prepared to receive cash donations.
- = Identify “trigger points” for State involvement in donations management.
- = Identify “trigger points” for requesting Federal assistance.
- = Coordinate where necessary among the Planning, Logistics, Transportation, and Communication committees.
- = Establish feedback procedures to DCT committees.
- = Communicate with FEMA about operational resource shortfalls.

### o Planning Responsibilities

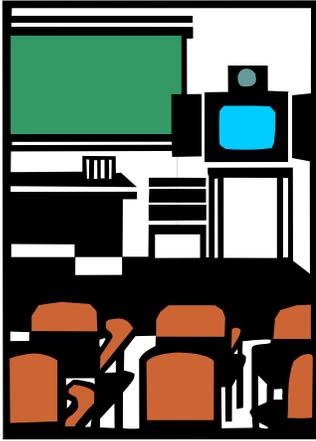
- = Coordinate with FEMA Headquarters regarding the use of the national “800” number.
- = Establish procedures for accepting cash donations (if the State is to accept cash).
- = Establish procedures for determining needs and “unneeds.”
- = Identify special needs populations in the community.
- = Establish procedures for accepting medical donations.
- = Determine level of donor screening that phone bank operators are authorized to use.
- = Communicate planning shortfalls to the Executive committee.
- = Plan demobilization once the entire operation is up and running.

- Logistics Responsibilities
  - = Assess warehouse capacities and the need for contingency warehouse facilities.
  - = Develop receiving, sorting, and distribution procedures for donated goods.
  - = Identify logistics support requirements (i.e., personnel, equipment).
  - = Establish procedures for dealing with spontaneous volunteers.
  - = Communicate resource shortfalls to the Executive committee.
- Transportation Responsibilities
  - = Establish State policy regarding transportation waivers.
  - = Facilitate the establishment of procedures for State use of weigh stations and tollbooths.
  - = Coordinate with managers of major rail yards, ports, etc., to facilitate the receipt of donated goods.
  - = Identify potential transportation sources (e.g., trucking companies) for use if needed to transport critical donations.
  - = Coordinate transportation needs for distribution with the Logistics committee.
  - = Communicate with the Executive committee regarding operational resource shortfalls.
  - = Begin planning demobilization once entire operation is fully running.
- Communication Responsibilities
  - = Work with the Public Information Officer to identify and develop public awareness campaigns that suit the needs of the community and emphasize benefits of cash donations.
  - = Educate the local emergency managers about the donations process.
  - = Involve the local media in public information efforts.
  - = Clarify potential tax issues (i.e., "write-offs") for donors and recipients.

## Donations Management Process







## Preparation for State Coordinating Officer Course

You have just completed an overview of the IA programs available to disaster victims.

**In preparation for your assignment as SCO and your attendance at the SCO course, please locate and review the following information that is specific to your State.**

The Individual and Family Grants Program (IFG) was replaced by and incorporated into the IHP Other Needs Assistance Program (ONA) on September 15, 2002. The assistance criteria no longer includes a real property component, and certain categories of assistance are SBA-dependent.

1. Who is the coordinator for the ONA program? Talk to this person and ask:

How many ONA claims were approved in your most recent Federally declared disaster?

What was the average dollar value?

How many ONA claims were denied?

Ask the ONA coordinator what you can do as SCO that will help him/her in future disasters.

2. Was Crisis Counseling (CC) implemented in your most recent Federally declared disaster?

Who was the State POC?

How many people used the service?

Ask the CC POC what you can do as SCO that will help him/her in future disasters.

3. Learn when DUA was used in your State.

What was the dollar amount of claims approved?

4. What provisions does your State have for dealing with consumer problems following a disaster?

Who is your POC?

Ask the Consumer Affairs POC what you can do as SCO that will help him/her in future disasters.

5. Does your State agency that is responsible for services to the elderly have a disaster assistance program?

What are its major goals?

Who is your POC?

Ask the Department of Aging POC what you can do as SCO that will help him/her in future disasters.

# Supplemental Materials

## Insurance Information Checklist

Typical coverage for the types of insurance policies that may be held by individuals applying for disaster assistance are shown below.

- Homeowners insurance policies typically cover:
  - = Damage to the dwelling.
  - = Damaged or destroyed personal property.
  - = Additional living expenses (ALE).
  
- Homeowners insurance may also cover damage caused by:
  - = Sewer and water backup.
  - = “Acts of God” (e.g., tornado, hail).
  - = Homeowners insurance **does not** cover damage caused by flooding.
  
- Condominium insurance policies (for condominium owners) typically cover:
  - = Damage to personal property.
  
- Condominium insurance policies may also cover:
  - = Sewer and water backup.
  - = “Acts of God.”
  - = Condominium insurance does not cover damage caused by flooding.
  
- Renters insurance typically covers:
  - = Damage or destruction of personal property.
  - = Renters insurance typically **does not** cover sewer and water backup.
  - = Renters insurance **does not** cover damage caused by flooding.
  
- Flood insurance typically covers:
  - = Damage to personal property up to the amount of the policy.
  - = Damage to real property up to the amount of the policy.
  - = Applicants in Flood Zones A or V must obtain coverage to be eligible for some SBA loans and for the IFG program if the declaration was for a flooding disaster.
  - = Applicants required to purchase flood insurance must maintain the insurance for as long as they reside in the dwelling (or, for mobile homes,

## National Flood Insurance Program

In 1968, Congress created the National Flood Insurance Program (NFIP) in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods.

The NFIP makes Federally backed flood insurance available in communities that agree to adopt and enforce floodplain management ordinances to reduce future flood damage. National Flood Insurance is available in more than 18,000 communities across the United States and its territories.

The NFIP is managed by the FEMA's Federal Insurance Administration and Mitigation Directorate. The Federal Insurance Administration manages the insurance component of the NFIP, and works closely with FEMA's Mitigation Directorate, which oversees the floodplain management aspect of the program.

The NFIP, through partnerships with communities, the insurance industry, and the lending industry, helps reduce flood damage by nearly \$800 million a year. Further, buildings constructed in compliance with NFIP building standards suffer 77 percent less damage annually than those not built in compliance. And, every \$3 paid in flood insurance claims saves \$1 in disaster assistance payments.

The NFIP is self-supporting for the average historical loss year, which means that operating expenses and flood insurance claims are not paid for by the taxpayer, but through premiums collected for flood insurance policies.

### THE REGULAR PROGRAM

*A community participating in the Regular Phase of the NFIP is usually provided with a Flood Insurance Rate Map (FIRM) and a detailed engineering study, termed a Flood Insurance Study (FIS) is often conducted. Under the Regular Phase of the NFIP, more comprehensive floodplain management requirements are imposed on the community in exchange for higher amounts of flood insurance coverage.*

1. **FEMA authorizes the sale of additional flood insurance** in the community up to the Regular Program limits.
2. **Community implements** adopted floodplain management measures.
3. **FEMA arranges for periodic community assistance visits** with local officials to provide technical assistance regarding complying with NFIP floodplain management requirements.

4. **Local officials may request flood map updates as needed.** FEMA evaluates requests, encourages cost-sharing, and issues revised maps as priorities dictate.

### Regular Program Flood Insurance Coverage

| <b>Building Coverage</b>                 | <b>Basic Insurance Limits</b> | <b>Additional Insurance Limits</b> | <b>Total Insurance Available</b> |
|--|-------------------------------|------------------------------------|----------------------------------|
| <b>Single Family Dwelling</b>            | \$ 50,000                     | \$200,000                          | \$250,000                        |
| <b>2-4 Family Dwelling</b>               | \$ 50,000                     | \$200,000                          | \$250,000                        |
| <b>Other Residential</b>                 | \$150,000                     | \$200,000                          | \$250,000                        |
| <b>Non-Residential or Small Business</b> | \$150,000                     | \$350,000                          | \$500,000                        |
| <b>Contents Coverage (per unit)</b>      | <b>Basic Insurance Limits</b> | <b>Additional Insurance Limits</b> | <b>Total Insurance Available</b> |
| <b>Residential</b>                       | \$ 20,000                     | \$ 80,000                          | \$100,000                        |
| <b>Non-Residential or Small Business</b> | \$130,000                     | \$370,000                          | \$500,000                        |

### THE EMERGENCY PROGRAM

*The Emergency Phase of the NFIP is the initial phase of a community's participation in the NFIP and was designed to provide a limited amount of insurance at less than actuarial rates. A community participating in the Emergency Phase is usually provided with a Flood Hazard Boundary Map (FHBM), and the community is required to adopt limited floodplain management requirements to control future use of its floodplains. Less than 10 percent of the 19,000 communities participating in the NFIP remain in the Emergency Phase, and FEMA plans to convert all communities to the Regular Phase of the NFIP as quickly as possible.*

1. **Community applies for participation** in the NFIP either (a) as a result of interest in eligibility for flood insurance, or (b) as a result of receiving notification from FEMA that it contains one or more SFHAs. Application includes adopted resolutions or ordinances to minimally regulate new construction in SFHAs.
2. **FEMA authorizes the sale of flood insurance in the community** up to the Emergency Program limits. FEMA assesses the community's degree of flood risk and development potential, and if appropriate...
3. **FEMA arranges for a study of the community** to determine base flood elevations and flood risk zones. Consultation with the community occurs at the

start of and during the study. Communities with minimal or no flood risk are converted to the Regular Program without a study (below).

4. **FEMA provides the studied community with FIRM** delineating base flood elevations and flood risk zones. Community is given 6 months to adopt base flood elevations in its local zoning and building code ordinances, and to meet other requirements.
5. **Community adopts more stringent ordinances** and FEMA converts the community to the NFIP's Regular Program (below).

### Emergency Program Flood Insurance Coverages

| Buildings                | Coverage  | Contents               | Coverage  |
|--------------------------|-----------|------------------------|-----------|
| <b>Single Family</b>     | \$ 35,000 | <b>Residential</b>     | \$ 10,000 |
| <b>Other Residential</b> | \$100,000 |                        |           |
| <b>Non-Residential</b>   | \$100,000 | <b>Non-Residential</b> | \$100,000 |

## NFIP/NFIRA Requirements

The table below lists the basic requirements for purchase and maintenance of flood insurance, as required by the National Flood Insurance Reform Act (NFIRA) of 1994<sup>1</sup>.

| Type of Disaster  | If the Residence Is . . .   | Then Flood Insurance . . .                             |
|-------------------|---|--|
| Flooding          | Located in a Special Flood Housing Area (SFHA) <b>and</b> receives flood damage in a flooding disaster <sup>2</sup> . . . | <b>IS</b> required for ONA                             |
| Non-flooding      | Located in an SFHA but damaged in a disaster that is caused by an event <b>other than flooding</b> . . .                  | Is <b>NOT</b> required.                                |
| Flooding          | <b>Not</b> located in an SFHA and receives flood damage in a flooding disaster . . .                                      | Is <b>NOT</b> required by ONA.<br>Is required by SBA.  |
| Non-flooding      | <b>Not</b> located in an SFHA and is damaged in a disaster that is caused by an event other than flooding . . .           | Is <b>NOT</b> required.                                |
| Type of Community | If the Residence Is . . .   | Then Flood Insurance . . .                             |
| Nonparticipating  | Located in an SFHA and receives flood damage in a flooding disaster . . .   | <b>IS</b> required, but is not available through NFIP. |
| Sanctioned        | Located in an SFHA and receives flood damage in a flooding disaster . . .   | <b>IS</b> required, but is not available through NFIP. |
| Probationed       | Located in an SFHA and receives flood damage in a flooding disaster . . .   | <b>IS</b> required, but a \$50 surcharge applies.      |

<sup>1</sup>Assuming that the applicant is otherwise eligible for an ONA award.

<sup>2</sup>Except basement apartments, because flood insurance does not cover personal property located in basements.

## FEMA INDIVIDUALS AND HOUSEHOLDS (IHP) PROGRAM HOUSING ASSISTANCE FACT SHEET

The purpose of the FEMA IHP Housing Assistance Program is to provide assistance to eligible applicants toward their disaster related housing needs following the effects of a disaster. This fact sheet outlines the various forms of housing assistance available from FEMA and explains the general conditions and limitations of this assistance.

To be considered for any form of FEMA housing assistance, the affected home must be your primary residence, the home must be located in the declared disaster area, and you (or an adult household member) must be a United States citizen, a non-citizen national, or a qualified alien.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL THE FEMA DISASTER HELPLINE AT 1-800-525-0321 (Hearing/speech impaired, please call TDD 1-800-660-8005)

### FORMS OF FEMA IHP HOUSING ASSISTANCE

- 1. LODGING REIMBURSEMENT:** A check to reimburse you for the cost of short-term lodging, such as hotel rooms, incurred due to damage to your home or an officially imposed prohibition against returning to your home. Expenditures for food, transportation, telephone, separately billed utilities, and other services are not eligible for reimbursement.

*Conditions of eligibility:*

- your home must have sustained disaster damage that makes your home uninhabitable, and
  - you must provide paid receipts for your lodging expenses.
  - You had to leave due to mandatory evacuation.
- 2. REPAIR ASSISTANCE:** A check to help you with the repairs needed to make your home habitable, as verified by a FEMA inspection. NOTE: This assistance is not intended to address all of the damage to your home and is not intended to restore the damaged item to its pre-disaster condition. In some cases, FEMA funding may only pay to return an item to service, allowing the home to be re-occupied. If a contractor recommends the item to be replaced, any additional costs would be the responsibility of the homeowner.

*Conditions of eligibility:*

- you must provide proof of ownership and occupancy at the time of the disaster, and
- the damage must be disaster-related, and

- 3. RENTAL ASSISTANCE:** A check based on fair market rents in your area for you to rent a place for your pre-disaster household to live, for a limited time. If you have difficulty finding a place to live, FEMA may provide you with a listing of available rental properties in your area.

*Conditions of eligibility:*

- you must provide proof of occupancy at the time of the disaster, and
- your displacement from your home must have been caused by the disaster.

- 4. DIRECT ASSISTANCE:** When rental properties are limited, FEMA may instead provide a travel trailer or a mobile home directly to individuals and households. The same conditions of eligibility apply.

*Conditions of eligibility:*

- you must provide proof of occupancy at the time of the disaster, and
- your displacement from your home must have been caused by the disaster.

## CONDITIONS & LIMITATIONS OF FEMA DISASTER HOUSING ASSISTANCE

1. Non-discrimination. All forms of FEMA disaster housing assistance are available to any affected household that meets the conditions of eligibility. No Federal entity or official (or their agent) may discriminate against any individual on the basis of race, color, religion, sex, age, national origin, disability, or economic status.
2. Residency status in the United States and its territories. To be considered for disaster housing assistance, you or an adult household member must provide proof of identity and sign a declaration stating that you/they are a United States citizen, a non-citizen national, or a qualified alien. A statistically valid sample of assistance recipients will then be audited and asked to provide proof of the declared residency status.
3. Supplemental Assistance. Disaster housing assistance is not intended to substitute for private recovery efforts, but to complement those efforts when needed. FEMA expects minor housing damage or the need for short-term shelter to be addressed by homeowners or tenants. Furthermore, the IHP Housing Assistance Program is not a loss

indemnification program and does not ensure that applicants are returned to their pre-disaster living conditions.

4. Household Composition. People living together in one residence before the disaster are expected to continue to live together after the disaster. Generally, assistance is provided to the pre-disaster household as a unit. If, however, the assistance provided to the household is not shared with you, or if the new residence is too small or causes you undue hardship, you may request assistance separate from your pre-disaster household.
5. Proper Use of Assistance. All financial assistance provided by FEMA should be used as specified in writing: to rent another place to live, to make the home repairs identified by FEMA, or to prevent eviction or foreclosure. Failure to use the money as specified may make you ineligible for additional assistance. All money provided by FEMA is tax-free.
6. Documentation. It is your responsibility to provide all documentation necessary for FEMA to evaluate your eligibility. You may need to provide proof of occupancy, ownership, income loss, and/or information concerning your housing situation prior to the disaster. You should keep all receipts and records for any housing expenses incurred as a result of the disaster. This includes receipts for repair supplies and labor, and rent payments.
7. Insurance. If you have insurance, any assistance provided by FEMA should be considered an advance and must be repaid to FEMA when you receive your insurance settlement payment. If your settlement is less than FEMA's estimated cost to make your home habitable, you may qualify for funds to supplement your insurance settlement, but only for repairs relating to the home's habitability. FEMA does not provide replacement value amounts or assistance with non-essential items.
8. Duration of Assistance. Home Repair Assistance is provided as a one-time payment. Rental Assistance (or a mobile home/travel trailer) is provided for an initial period of 1, 2, or 3 months. To be considered for additional assistance, you must demonstrate that you have spent any previous assistance from FEMA as instructed, and you must demonstrate your efforts to re-establish permanent housing and/or your household income. Additional assistance is generally provided for 3 months at a time. The maximum period for disaster housing assistance is 18 months.
9. Appeal Rights. If you disagree with FEMA's determination of eligibility or the form of assistance provided, you have the right to appeal within 60 days of the date of your notification letter. Send appeal letters to: Appeals Officer, FEMA-NPSC, PO Box 90215, Denton, TX 76202-5205. Telephone: 1-800-525-0321 or TTY 1-800-660-8005.

Individuals and households may be eligible for multiple forms of assistance. For example, you are displaced while repairs are being made. Rental Assistance may be granted along with Repair Assistance.

October 2002



## **U.S. SMALL BUSINESS ADMINISTRATION (SBA) DISASTER ASSISTANCE PROGRAM**

### **BACKGROUND**

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In the wake of hurricanes, floods, earthquakes, wildfires, tornadoes and other physical disasters, the U.S. Small Business Administration (SBA) plays a major role. Disaster loans from SBA help homeowners, renters, businesses of all sizes, and nonprofit organizations fund rebuilding. SBA's disaster loans are a critical source of economic stimulation in disaster-ravaged communities, helping to spur employment and stabilize tax bases.

By providing disaster assistance in the form of loans that are repaid to the Treasury, the SBA disaster loan program helps reduce Federal disaster costs compared to other forms of assistance, such as grants. When disaster victims need to borrow to repair uninsured damages, the low interest rates and long terms available from SBA make recovery affordable. Because SBA tailors the repayment of each disaster loan to each borrower's financial capability, unnecessary interest subsidies paid by the taxpayers are avoided. Moreover, providing disaster assistance in the form of loans rather than grants avoids creating an incentive for property owners to underinsure against risk. Disaster loans require borrowers to maintain appropriate hazard and flood insurance coverage, thereby reducing the need for future disaster assistance. The need for SBA disaster loans is as unpredictable as the weather.

In the aftermath of the Northridge earthquake, SBA approved more than 125,000 loans for more than \$4.1 billion in FY 1994. In 1999, SBA approved 36,176 loans for \$936 million. Since the inception of the program in 1953, SBA has approved over 1.4 million disaster loans for over \$26 billion.

The SBA is authorized by the Small Business Act to make two types of disaster loans: Physical disaster loans are a primary source of funding for permanent rebuilding and replacement of uninsured disaster damages to privately-owned real and/or personal property. SBA's physical disaster loans are available to homeowners, renters, nonfarm businesses of all sizes and nonprofit organizations.

Economic injury disaster loans provide necessary working capital until normal operations resume after a physical disaster. The law restricts economic injury disaster loans to small businesses only.

The disaster program is SBA's largest direct loan program, and the only SBA program for entities other than small businesses. By law, neither governmental units nor agricultural

enterprises are eligible; agricultural producers may seek disaster assistance from specialized programs at the U.S. Department of Agriculture.

Disaster victims must repay SBA disaster loans. SBA can only approve loans to applicants with a reasonable ability to repay the loan and other obligations from earnings. The terms of each loan are established in accordance with each borrower's ability to repay. The law gives SBA several powerful tools to make disaster loans affordable: low interest rates (around 4 percent), long terms (up to 30 years), and refinancing of prior debts (in some cases). As required by law, the interest rate for each loan is based on SBA's determination of whether each applicant does or does not have credit available elsewhere (the ability to borrow or use their own resources to overcome the disaster). Generally, over 90 percent of SBA's disaster loans are to borrowers without credit available elsewhere and have an interest rate of around 4 percent.

SBA delivers disaster loans through four specialized Disaster Area Offices located in Niagara Falls, NY; Atlanta, GA; Ft. Worth, TX; and Sacramento, CA.

## **TYPES OF DISASTER LOANS**

Physical Disaster Loans include:

- *Home Disaster Loans.* Loans to homeowners or renters to repair or replace disaster damages to real estate or personal property owned by the victim. Renters are eligible for their personal property losses.
- *Business Physical Disaster Loans.* Loans to businesses to repair or replace disaster damages to property owned by the business, including real estate, machinery and equipment, inventory and supplies. Businesses of any size are eligible. Non-profit organizations such as charities, churches, private universities, etc. are also eligible.

Economic Injury Disaster Loans (EIDL). Loans for working capital to small businesses and small agricultural cooperatives to assist them through the disaster recovery period. EIDL assistance is available only to applicants with no credit available elsewhere - if the business and its owners cannot provide for their own recovery from non-government sources.

## **CREDIT REQUIREMENTS AND REPAYMENT**

SBA's disaster assistance is in the form of loans. Applicants must show the ability to repay all loans.

- **Collateral:** Collateral is required for all physical loss loans over \$10,000 and all EIDL loans over \$5,000. SBA takes real estate as collateral where it is available. Applicants do not need to have full collateral; SBA will take what is available to secure each loan.
- **Interest Rates:** By law, the interest rates depend on whether each applicant has Credit Available Elsewhere. An applicant does not have Credit Available Elsewhere when

SBA determines that the applicant does not have sufficient funds or other resources, or the ability to borrow from non-government sources, to provide for its own disaster recovery. An applicant which SBA determines can so provide for its own recovery has Credit Available Elsewhere. Generally, SBA determines that over 90% of disaster loan applicants do not have Credit Available Elsewhere.

- Interest rates are determined by formulas set by law, and may vary over time with market conditions. The law authorizes loan terms up to a maximum of 30 years. However, for businesses with Credit Available Elsewhere, the law limits the loan term to a maximum of 3 years.
- SBA determines the term of each loan in accordance with the borrower's ability to repay. Based on the financial circumstances of each borrower, SBA determines an appropriate installment payment amount, which in turn determines the actual term.

## **LOAN AMOUNT LIMITS**

- Home Loan amounts are limited by SBA regulation to \$200,000 to repair/replace real estate and \$40,000 to repair/replace personal property. The actual amount of each loan, up to these maximums, is limited to the verified uninsured disaster loss. Refinancing of existing mortgages on homes is eligible in some cases up to the amount of the loan for real estate repair/replacement. Loan amounts may be increased by up to 20 percent for devices to mitigate against damage to the real property of the same type as the disaster.
- Business Loan amounts are limited by law to \$1,500,000 for real estate, machinery and equipment, inventory and all other physical losses. The actual amount of each loan, up to this maximum, is limited to the verified uninsured disaster loss. Refinancing of existing mortgages or liens on real estate and machinery and equipment is eligible in some cases up to the amount of the loan for real estate and machinery and equipment repair/replacement. Loan amounts may be increased by up to 20 percent for devices to mitigate against damage to the real property of the same type as the disaster.
- Economic Injury Disaster Loan (EIDL) amounts are limited by law to \$1,500,000. The actual amount of each loan, up to this maximum, is limited to the actual economic injury as calculated by SBA, not compensated by business interruption insurance or otherwise, and beyond the ability of the business and/or its owners to provide. The \$1,500,000 statutory limit for business loans applies to the combination of physical and economic injury, and also applies to all disaster loans to a business and its affiliates. If a business is a major source of employment, SBA has authority to waive the \$1,500,000 statutory limit. Loan Eligibility Restrictions:
- Uninsured Losses. Only uninsured or otherwise uncompensated disaster losses are eligible. Any insurance proceeds which are required to be applied against outstanding mortgages are not available to fund disaster repairs and do not reduce loan eligibility. However, any insurance proceeds voluntarily applied to any outstanding mortgages do reduce loan eligibility.

## **INELIGIBLE PROPERTY**

Secondary homes, personal pleasure boats, airplanes, recreational vehicles, and similar property are not eligible, unless used for business purposes. Property such as antiques and collections is eligible only to the extent of its functional value. Amounts for landscaping, swimming pools, etc., are limited.

## **NONCOMPLIANCE**

Applicants who have not complied with the terms of previous loans are not eligible. This includes prior borrowers who did not maintain required flood insurance.

## **REFINANCING**

SBA can refinance all or part of prior mortgages, evidenced by a recorded lien, when the applicant (1) does not have Credit Available Elsewhere, (2) has suffered substantial disaster damage (40 percent or more of the value of the property), and (3) intends to repair the damage. Refinancing of prior debts improves the victim's ability to afford the SBA disaster loan.

## **RELOCATION**

Use of SBA disaster loans for relocating is subject to limitations. Generally, victims may relocate where they need to do so for reasons beyond their control. If the victim is forced by state or local authorities to relocate, the amount of eligibility is the replacement cost of the property that must be abandoned.

## **INSURANCE REQUIREMENTS**

To protect each borrower and the agency, SBA requires borrowers to obtain and maintain appropriate insurance. Borrowers of all secured loans (physical loans over \$10,000 and economic injury loans over \$5,000) must purchase and maintain full hazard insurance for the life of the loan. Borrowers whose property is located in a special flood hazard area must purchase and maintain flood insurance for the full insurable value of the property for the life of the loan.

## **ADDITIONAL INFORMATION**

The U.S. Small Business Administration Home Page at <http://www.sba.gov/disaster> can provide you with extensive information on the SBA Disaster Assistance Program.

—May 1999

| <b>Individuals and Households Program (IHP)</b>  |   |
|--|---|
| <b>Provisions of IHP Assistance</b>  |   |
| <b>Housing Assistance</b><br>100% Federal Funds  | <b>Other Needs Assistance</b><br>75% Federal and 25% State Funds  |
| <p>Disaster-related housing assistance for applicants displaced from their pre-disaster primary residences, and/or whose pre-disaster residence are rendered <u>uninhabitable</u>; and who are <u>under-insured</u> or have <u>no insurance</u> to provide for their housing needs.</p> <ol style="list-style-type: none"> <li>1) <b>Temporary Housing</b> <ul style="list-style-type: none"> <li>◆ Financial                             <ul style="list-style-type: none"> <li>• Lodging Reimbursement</li> <li>• Rental Assistance</li> </ul> </li> <li>◆ Direct Assistance (MH/TT)</li> </ul> </li> <li>2) <b>Repairs</b> <ul style="list-style-type: none"> <li>◆ Financial</li> </ul> </li> <li>3) <b>Replacement</b> <ul style="list-style-type: none"> <li>◆ Financial</li> </ul> </li> <li>4) <b>Permanent Housing Construction</b> <ul style="list-style-type: none"> <li>◆ Financial or Direct</li> </ul> </li> </ol> <p>Note: <i>One or more types of Housing Assistance may be made available to meet the disaster-related needs of individuals and households.</i></p> | <p>Disaster-related assistance for other necessary expenses and serious needs. Assistance is restricted to applicants who have applied for a loan from SBA and who have been denied for a loan or the loan is insufficient to cover the loss.</p> <ol style="list-style-type: none"> <li>1) <b>Medical, Dental and Funeral Expenses</b> <ul style="list-style-type: none"> <li>◆ Financial</li> </ul> </li> <li>2) <b>Personal Property, Transportation, and Other Expenses</b> <ul style="list-style-type: none"> <li>◆ Financial</li> </ul> <p><i>Personal Property: (*ID)</i></p> <p><i>Transportation:</i></p> <ul style="list-style-type: none"> <li>• Vehicle repair/replace (*ID)</li> <li>• Public Transportation Expenses</li> </ul> <p><i>Other Expenses:</i></p> <ul style="list-style-type: none"> <li>• Moving and Storage Expenses (*ID)</li> <li>• Group Flood Insurance Policy (*ID)</li> <li>• Miscellaneous Expenses</li> </ul> </li> </ol> |
| <p>*ID denotes Income Dependent assistance (contingent on SBA denial).</p> <p><b>Forms of Assistance:</b><br/>           Financial = Assistance in the form of a check or EFT<br/>           Direct = Assistance provided directly to applicants that is not a cash grant</p>  |   |

## CRISIS COUNSELING ASSISTANCE AND TRAINING PROGRAM QUESTIONS AND ANSWERS

### **What is the purpose of the Crisis Counseling Assistance and Training Program?**

The Crisis Counseling Assistance and Training Program (CCP) is designed to provide supplemental funding to States for short-term crisis counseling services to people affected by Presidentially declared disasters. There are two separate portions of the CCP that can be funded: immediate services and regular services. A State may request either or both types of funding.

### **What is the difference between the two portions of the program?**

The immediate services portion of the program is intended to enable the State or local agency to respond to the immediate mental health needs with screening, diagnostic, and counseling techniques, as well as outreach services such as public information and community networking. The funding, which is provided for up to 60 days after the date of the Disaster Declaration, must be requested in writing within 14 days of the Disaster Declaration. Costs incurred from the date of the incident to the date of declaration are reimbursable under CCP. The request for immediate services funding is processed in the Disaster Field Office. The Regional Director or his/her on-site designee, the Disaster Recovery Manager, is the approving official for immediate services funding and may extend funding if a regular program request is pending. This allows for program continuity between the two funding periods.

The regular services portion of the program is designed to provide up to 9 months of crisis counseling, community outreach, and consultation and education services to people affected by a Presidentially declared disaster. Funding for this program is separate from the immediate services grant. The request for funding must be submitted within 60 days of the Disaster Declaration. The regular program grant proposal is reviewed by both FEMA and the Center for Mental Health Services (CMHS) of the Substance Abuse and Mental Health Services Administration under the Department of Health and Human Services. Recommendations are forwarded to the Director, Human Services Division in FEMA, for final determination. If approved, the grant is awarded and administered by CMHS. CMHS provides technical assistance on the CCP through an interagency agreement with FEMA. Both FEMA and CMHS monitor CCPs.

To be eligible for crisis counseling services funded by this program, the person must be a resident of the designated area or must have been located in the area at the time the disaster occurred. In addition, the person must have a mental health problem that was

caused or aggravated by the disaster or its aftermath, or he or she must benefit from services provided by the program.

**How does a State determine if a CCP is needed?**

The State department of mental health should contact the mental health service providers in the declared area to determine if the local resources can meet the needs of the population impacted by the disaster. If the State and local providers cannot meet the needs of the impacted population, the State should consider applying for Federal assistance.

**What types of services are typically included in a CCP?**

Crisis counseling services include those screening, diagnostic, and counseling techniques, as well as outreach services such as public information, community networking, consultation, and education, that can be applied to meet mental health needs immediately after a major Disaster Declaration. The CCP helps disaster survivors to recognize typical reactions and emotions that occur following a disaster and to regain control over themselves and their environment. Crisis counseling is not treatment for substance abuse, mental illness, or developmental disabilities. Mental health workers specified in the CCP grant application are eligible for training that will enable them to provide crisis counseling services. In addition, other disaster workers are eligible for general instruction designed to enable them to deal effectively and humanely with people affected by the disaster.

**Should the CCP rely on existing staff or hire new staff?**

Most programs rely heavily on newly hired staff with some involvement of existing staff. Ongoing service demands often preclude the extensive use of existing staff. CCP funds may not be used to supplant pre-existing services. If existing staff are detailed to the CCP, the way in which their on-going work will be covered should be addressed in the application. Many of the activities of the CCP do not require fully credentialed mental health professionals. A blend of paraprofessionals and mental health professionals may be used to provide the need services to the impacted communities. Funding may be requested to provide training for paraprofessionals and professionals involved in the CCP.

**How does a State apply for CCP funding?**

The application deadline for immediate services funding is 14 days after the Presidential declaration. The regular program application is due within 60 days of the declaration. FEMA will provide the State Department of Mental Health with guidance on the application process for the CCP. DAP-9, Crisis Counseling Program: A Handbook for Grant Applicants, describes the application process for immediate services and regular program funding. The Workbook for Developing an Application for Crisis Counseling Services for Disaster Victims provides detailed instructions for developing a regular program application. Applications for funding are submitted by the Governor's Authorized Representative to the FEMA Disaster Recovery Manager.

**Can the State get technical assistance with the application process?**

The FEMA Human Services Officer is the State contact for general information and assistance. The Center for Mental Health Services (CMHS) under the Substance Abuse and Mental Health Services Administration of the Department of Health and Human Services provides technical assistance on the CCP through a FEMA and CMHS interagency agreement. Staff from the Emergency Services and Disaster Relief Branch of CMHS are available to provide assistance with the application process. The State should contact the Human Services Officer in the Disaster Field Office if technical assistance from CMHS is required. The immediate services application is due within 2 weeks of the declaration date. In order to meet the deadline, the State should request assistance as early as possible.

**Who is the approval authority for CCP?**

Approval authority for the immediate services program is generally delegated by the FEMA Regional Director to the FEMA Disaster Recovery Manager. Once the application is submitted by the Governor's Authorized Representative to the Disaster Recovery Manager, it is forwarded to CMHS for review. CMHS provides the Disaster Recovery Manager with a recommendation on the extent to which the Federal assistance is warranted. The approving official for the regular program is the Director of the Human Services Division, Response and Recovery Directorate, FEMA Headquarters. The State will submit the application to the Disaster Recovery Manager, who will forward it with a recommendation to approve or disapprove to the Director of the Human Services Division. In addition, CMHS will conduct a committee review of the application.

### **What are the reporting requirements for CCP?**

The State is only required to submit a mid-program report on the immediate services program if a regular program application is being prepared. The mid-program report is included as part of the regular program application and describes the transition plans from immediate services activities to regular program activities. The final report on the immediate services program is submitted to the FEMA Regional Director and the CMHS project officer within 90 days after the last day of immediate services funding. For the regular program, the State is required to submit two quarterly (every 90 days) progress reports and a final report due within 90 days after the end of the program. Regular program reports are submitted to the Regional Director, Director of the Human Services Division, and the CMHS project officer. DAP-9, Crisis Counseling Program: A Handbook for Grant Applicants, describes the components of each report.

### **References**

1. Section 416 of the Robert T. Stafford Disaster Relief and Assistance Act, Public Law 93-288.
2. 44 Code of Federal Regulations, Part 206.171, Crisis Counseling Assistance and Training.
3. FEMA Workbook for Developing an Application for Crisis Counseling Services for Disaster Victims.
4. DAP-9, Crisis Counseling Program: A Handbook for Grant Applicants.

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## **Disaster Crisis Counseling Program**

From [http://www.mentalhealth.org/publications/allpubs/sma99-378/crisiscounseling\\_ch1.htm](http://www.mentalhealth.org/publications/allpubs/sma99-378/crisiscounseling_ch1.htm)

### **The Nature of Disasters**

#### **Definition of a Federal Disaster Declaration**

The Federal Emergency Management Agency (FEMA) provides supplemental funding to States for short-term crisis counseling projects to assist survivors/victims of Presidentially declared major disasters. FEMA supplements, but does not supplant, mental health services traditionally provided by State and local mental health agencies. The Crisis Counseling Assistance and Training Program (commonly referred to as the Crisis Counseling Program) was first authorized by the U.S. Congress under the Disaster

Relief Act of 1974 (Public Law 93-288) and later modified by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988 (Public Law 100-707). FEMA is responsible for administering the disaster assistance programs of the Stafford Act, including Federal assistance for crisis counseling services.

A major disaster, as defined by the Stafford Act, is any natural catastrophe, or regardless of cause, any fire, flood, or explosion, which in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance to supplement efforts and available resources of States, local government, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused by the disaster.

### **Disaster Types**

Different types of disasters covered by the Stafford Act that may impact rural areas include: hurricane, tornado, storm, high water, wind driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, flood, or explosion. Disasters also differ by a number of characteristics including the following:

- Origin of disaster (natural versus human-caused)
- Length of warning time
- Intensity of the event
- Extent of property damage
- Number of persons impacted
- Number of injuries and deaths
- Dynamics of the recovery period

Each type of disaster has its own unique pattern of destruction and characteristics that affect the emotional response of disaster victims (NIMH, 1983):

- Flood disasters can result in long incident periods and the evacuation of whole communities.
- Earthquakes strike without warning and after shocks intensify fright and despair.
- Tornadoes randomly choose their victims, skipping one house and striking the next.
- Hurricanes can be unpredictable and suddenly change course causing the evacuation of large areas.

Disasters may be classified as either natural or human-caused. The following chart describes the different characteristics of natural and human-caused disasters. Blame is a characteristic that differs significantly for natural and human-caused disasters. Disaster survivors of human-caused disasters may blame and feel anger toward individuals, groups, or organizations they believe caused or contributed to the disaster. In contrast, survivors of natural disasters may blame and feel anger toward themselves, believe it is "God's Will" or a punishment. Survivors of natural disasters may project their anger onto caretakers, disaster workers, or others (CMHS, 1996).

### Natural vs. Human-Caused Disasters

|                               | <b>Natural</b>   | <b>Human-Caused</b>  |
|-------------------------------|--|--|
| <b>Causes</b>                 | Forces of nature   | Human error, malfunctioning  |
| <b>Examples</b>               | Earthquakes, hurricanes, floods  | Airplane crashes, major chemical leaks, nuclear reactor accidents                          |
| <b>Blame</b>                  | No one   | Person, government, business   |
| <b>Scope</b>                  | Various locations  | Locations may be inaccessible to rescuers, unfamiliar to survivors, little advance warning |
| <b>Post-disaster Distress</b> | High   | Higher, often felt by family members not involved in actual disaster                       |
| <i>Source:</i>                | CMHS. <i>Psychosocial Issues for Children and Families in Disasters. A Guide for the Primary Care Physician</i> . Washington, D.C.: U.S. Department of Health and Human Services; Publication No. (SMA) 96-3077, 1996. |  |

## Definition of Crisis Counseling Services

The Crisis Counseling Program (CCP), as it has been supported in the past twenty-five years by the Federal government, provides for short-term interventions with individuals and groups experiencing psychological trauma from Presidentially-declared disasters. This type of intervention involves classic counseling goals of helping people to understand their current situation and reactions, assisting in the review of their options, providing emotional support, and encouraging linkage with other resources and agencies who may assist the individual. The assistance is focused upon helping the person deal with the current situation in which they may find themselves.

It draws upon the assumption, until there are contradictory indications, that the individual can resume a productive and fulfilling life following the disaster experience if given support, assistance, and information at a time and in a manner appropriate to his or her experience, education, developmental stage, and ethnicity (CMHS, 1994).

**The Emergency Services and Disaster Relief Branch (ESDRB) of the Center for Mental Health Services (CMHS) will provide technical assistance to states in developing a grant request.**

**The ESDRB can be reached by phone at (301) 443-4735.**

The CCP is unique in comparison to the mix of Federal programs made available through a Presidential disaster declaration. It is the one program for which virtually anyone qualifies and where the person affected by disaster does not have to recall numbers, estimate damages, or otherwise justify need. The program provides primary assistance in dealing with the emotional sequelae to disaster.

### **Robert T. Stafford Act**

The Stafford Act authorizes the President to provide training and services to alleviate mental health problems caused or aggravated by declared disasters. The CCP is designed to provide supplemental funding to States for short-term crisis counseling services and is implemented when creating such services are beyond the resources of the State or local providers, given a Presidential disaster declaration.

FEMA may fund two separate portions of the Crisis Counseling Program: Immediate Services (IS) and Regular Services (RS). The IS grant enables the State and its local agency to respond to the immediate mental health needs with crisis counseling services. IS can be funded for up to sixty days after the Presidential declaration. If an RS application has been submitted, the program period for the immediate services may be extended thirty days and additional funding may be awarded. FEMA may approve a longer extension, if the review process of the regular program application exceeds thirty days. Costs incurred from the date of the incident to the date of declaration may be

reimbursable under the immediate services program. The RS provides up to nine months of crisis counseling services, community outreach, and consultation and education services to people affected by the disaster. Funding for RS is separate from IS. The State may apply for either or both portions of the CCP.

Application for IS funding must be completed within fourteen days of the disaster declaration. The application must contain a disaster description, needs assessment, program plan, budget, and budget narrative. The needs assessment is based on the needs of the affected communities and the ability of the current mental health system to respond to those needs. A State must demonstrate that State and local resources are insufficient to provide adequate services.

### **Differences Between Disaster Mental Health and Traditional Mental Health Programs**

Disaster CCPs are a departure from traditional mental health practice in many ways. The program is designed to address incident specific stress reactions, rather than ongoing or developmental mental health needs (CMHS, 1994). Programs must be structured and implemented according to Federally established guidelines and for a specific period. Emphasis is on serving individuals, families, and groups of people - all of whom share a devastating event that most likely changed the face of their entire community.

## **CRISIS COUNSELING PROGRAM**

### Immediate Services

- Application due in fourteen days
- Sixty-day program
- Extension if RS is applied for

### Regular Services

- Apply within sixty days of declaration
- Nine month program

### Applications must include

- Disaster description
- Needs Assessment
- Program Plan
- Budget
- Budget narrative

Outreach and crisis counseling activities are the core of the Crisis Counseling Program and create a unique set of challenges. Disaster crisis counseling requires breaking out of traditional ways of identifying people in need of services, providing access to those services, maintaining documentation, and determining effectiveness. Mental health professionals will work hand-in-hand with paraprofessionals, volunteers, community leaders, and survivors/victims of the disaster in ways that may be foreign to their clinical training. This publication will focus on the implementation of appropriate CC services for rural communities across the United States.

## IRS Help During Disasters and Emergencies

**We know that major disasters and emergencies in your area will affect many families and businesses. While we hope you are spared any loss, we realize this may not be true for everyone, and we want to let you know how the IRS can help.**

If you have damaged or lost property in a location declared by the President as a major disaster area, you may be able to get some money back from the IRS right now. Learn more by reviewing *Disaster Area Losses (Including Flood Losses)* in the Tax Topics portion of this site. <http://www.irs.ustreas.gov/plain/hot/fema.html>

To qualify for disaster loans and grants from other federal agencies, you must have filed all required tax return(s). If you have not filed, we can help you get the information you need to prepare your return(s).

If we have recently contacted you about taxes you owe, but because of the emergency you need more time to pay, please let us know. Free tax assistance is also available at many Internal Revenue Service Offices and temporary FEMA Disaster Recovery Centers (DRCs) in your area.

If you have been impacted by a federally declared disaster, you may receive copies or transcripts of previously filed tax returns free of charge by submitted Form 4506, Request for Copy or Transcript of Tax Form, clearly identified as a disaster related request. This and other helpful forms and publications are available for download from this site.

For additional information on other federal assistance, or for current news releases and situation reports covering a disaster, be sure to visit the Federal Emergency Management Agency (FEMA) DRCs, call the Helpline at 1-800-525-0321, or visit the FEMA Web site at [www.fema.gov](http://www.fema.gov). Please share this information with family, friends, and co-workers.

## Taxpayer Help and Education

### Disaster Area Losses Topic 515

Casualty losses can result from the destruction of, or damage to, your property from any sudden, unexpected, or unusual event such as a flood, hurricane, tornado, fire, earthquake or even volcanic eruption. If your property is not completely destroyed, to determine your loss from a casualty, you must first figure the decrease in fair market value of your property as a result of the casualty event. To do this, you must determine the fair market value of your property both immediately before and immediately after the casualty. An appraisal is the best way to make this determination. Compare the decrease in fair market value with your adjusted basis in the property. The adjusted basis is usually the cost of the property plus or minus certain adjustments. From the smaller of these two amounts,

subtract any insurance or other reimbursement you receive or expect to receive. The result is your loss from the casualty. For more information about the basis of property see Topic 703 and Publication 551, *Basis of Assets*.

Up to this point, figuring the deductible loss is the same for both business and nonbusiness property losses. If the property was held by you for personal use, you must further reduce your loss by \$100. This \$100 reduction of a nonbusiness loss applies to each casualty and theft event that occurred during the year. The total of all your nonbusiness casualty and theft losses must be further reduced by 10% of your adjusted gross income. In figuring your loss, the loss of future profits is not considered. The loss of income you will not realize because of the casualty is also not considered. For information regarding nonbusiness casualty losses and how to deduct them see Topic 507. Publication 547, *Casualties, Disasters and Thefts (Business and Nonbusiness)*, contains further information on this subject.

Casualty losses are generally deductible only in the year the casualty occurred. However, if you have a deductible loss from a disaster in an area that is officially designated by the President of the United States as eligible for federal disaster assistance, you can choose to deduct that loss on your tax return for the year immediately preceding the loss year. In other words, you may treat the loss as having occurred in either the current year or the previous year, whichever provides the best tax results for you. If you have already filed your return for the preceding year, the loss may be claimed by filing an amended return Form 1040X.

Generally, you must make the choice to use the preceding year by the due date of the current year's return, without extensions. For example, the election to deduct a 1999 disaster loss on your 1998 return must be made on or before the due date of the 1999 return. This is April 17, 2000, for calendar year individuals and March 15, 2000, for calendar year corporations. You can revoke this choice within 90 days after making it by returning to the IRS any refund or credit you received from making the choice. However, if you revoke your choice before receiving a refund, you must return the refund within 30 days after receiving it for the revocation to be effective.

If your main home, or any of its contents, is damaged or destroyed as a result of a disaster in a presidentially declared disaster area, you do not report any gain due to insurance proceeds you receive for unscheduled personal property, such as damaged furniture, that was part of the contents of your home. Any other insurance proceeds received for the home or its contents can be treated as being received for a single item of property. These proceeds can be used to purchase replacement property similar or related in service or use to your home, or its contents. You can elect to recognize gain only to the extent that these funds are more than the cost of your replacement property. The period for purchasing replacement property is extended to four years after the close of the first tax year in which any gain is realized.

Renters qualify to choose relief under these rules if the rented residence is their main home.

If your home is located in a federal disaster area and your state or local government orders you to tear it down or move it because it is no longer safe to live in, the resulting loss in value is treated as a casualty loss from a disaster. Figure your loss in the same way as any other casualty loss of personal-use property. This order must be issued within 120 days after the area is declared a disaster area.

If your loss deduction is more than your income, you may have a net operating loss. You do not have to be in business to have a net operating loss from a casualty. For more information, see Publication 536, *Net Operating Losses*.

Casualty losses are claimed on Form 4684, *Casualties and Thefts*. Section A of Form 4684 is used for nonbusiness property and Section B is used for business property. You may refer to Publication 584, *Casualty, Disasters, and Theft Loss Workbook*, to help you catalog your property.

If the IRS extends the due date for filing your return and for paying your income tax and you are located in a federal disaster area, the IRS will abate the interest that would otherwise accrue for the extension period.

For more information see Publication 547, *Casualties, Disasters, and Thefts; Figuring a Loss*. Forms and publications may be downloaded from this site or ordered by calling 1-800-829-3676.

[http://www.irs.ustreas.gov/plain/tax\\_edu/teletax/tc515.html](http://www.irs.ustreas.gov/plain/tax_edu/teletax/tc515.html)

## DISASTER UNEMPLOYMENT ASSISTANCE FACT SHEET

The Disaster Unemployment Assistance (DUA) program provides unemployment benefits and re-employment services to individuals who have become unemployed because of a Presidentially declared major disaster. The Department of Labor has been delegated the authority to administer the program, for which FEMA is responsible, under Section 410 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 93-288 as amended).

The 30-day application period begins with the first day following the date of the public announcement of DUA availability, which the State Employment Security Agency (SESA) is required to advertise (in coordination with FEMA's Public Affairs Officer) soon after the President has declared a major disaster in a State.

The DUA benefit period begins with the week (as defined in State law) following the disaster incident or date thereafter that the individual became unemployed, and can extend up to 26 weeks after the date of declaration or until the individual becomes re-employed, whichever is earlier. The DUA benefit amount may not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the disaster occurred. DUA shall not be paid to an individual, who receives regular unemployment compensation, or private income protection insurance compensation unless that person's other program eligibility expires and weeks of unemployment continue in the disaster assistance period. DUA will then be paid those individuals at the same weekly benefit rate they were receiving under the other compensation program.

All unemployed individuals must register with the State's SESA before they can receive DUA benefits. However, although most States have a provision that an individual must be able and available to accept employment opportunities comparable to the employment the individual held before the disaster, not all States require an individual to search for work.

Re-employment services are provided by the State under other laws. If other laws do not meet the needs of victims, FEMA may authorize and reimburse DOL or other organizations to provide re-employment assistance as necessary.

June 1999

## **Farm Service Agency (FSA)** **from <http://www.fema.gov/fema/farmhome.htm>**

The Farm Service Agency (FSA) can provide emergency loans where property loss or economic injury occur due to a natural disaster that affects farming, ranching or aquaculture operations. Emergency loans will be made to qualified applicants who have suffered qualifying physical and/or production losses in a county named by FEMA as eligible for federal assistance or determined a disaster by the Secretary of Agriculture. Farmers, ranchers and aquaculture operators in counties contiguous to declared or designated counties may also qualify. FSA low-interest loans are available to eligible applicants based on eligibility to overcome effects of a disaster. Funds can be used for:

- Restoring or replacing damaged property
- Paying all or part of production costs associated with the disaster year and/or the year following the disaster
- Paying delinquent installments
- Paying essential family living expenses
- Constructing, buying or improving essential buildings
- Purchasing essential machinery, equipment and foundation livestock
- Paying costs to reorganize a farming system
- Refinancing short, intermediate and long-term debts.

The loan terms differ for the various types of loans. Applications are received in FSA County Offices. These offices are listed in the telephone directory under U.S. Government, Department of Agriculture, Farm Service Agency.

### **Farm Service Agency Programs**

*from <http://www.fsa.usda.gov/pas/disaster/assistance1.htm>*

Natural disaster is a constant threat to America's farmers and ranchers. From drought to flood, freeze, tornadoes, or other calamity, natural events can severely hurt even the best run agricultural operation.

But farmers don't have to face a natural disaster alone. The Farm Service Agency (FSA), an Agency of the United States Department of Agriculture (USDA), stands ready to help. If your farming or ranching operation has suffered a loss due to a natural disaster, you may be eligible for assistance under one or more of the following FSA programs:

- The Emergency Conservation Program (ECP)
- The Noninsured Crop Disaster Assistance Program (NAP)
- Emergency Loan (EM) Assistance
- Emergency Haying and Grazing Assistance

This document tells you what kind of help is available, who may be eligible for it, and how to go about applying for FSA emergency assistance.

## Emergency Loan (EM) Assistance from <http://www.fsa.usda.gov/pas/disaster/em.htm>

FSA provides low-interest EM loan assistance to eligible farmers to help cover production and physical losses in counties declared as disaster areas by the President or designated by the Secretary of Agriculture. The FSA Administrator may also authorize EM loan assistance to cover physical losses only.

### Who Is Eligible for EM Loans?

Emergency loans are available to qualifying ranchers and farmers who:

- Are established operators of family farms;
- Are citizens or permanent residents of the United States;
- Have adequate training or experience in managing and operating a farm or ranch necessary to assure reasonable prospects of success;
- Have suffered a qualifying physical loss, or a production loss of at least 30 percent in any essential farm or ranch enterprise;
- Cannot obtain commercial credit;
- Can provide collateral to secure an EM loan; and
- Can demonstrate that they have repayment ability.

### What Can I Use EM Loans For?

Emergency loan funds may be used to:

- Restore or replace essential physical property, such as animals, fences, equipment, orchard trees, etc.
- Pay all or part of production costs associated with the disaster year;
- Pay essential family living expenses;
- Reorganize the farming operation; and
- Refinance debts.

### How Much Can I Borrow?

The loan limit is up to 80 percent of actual production loss (i.e., the value of lost crops, milk etc.), or 100 percent of the actual physical loss, with a maximum indebtedness under this program of \$500,000.

### What Requirements Must I Meet?

FSA loan requirements are different from those of other lenders. Some of the more significant of these conditions are:

- Borrowers must keep acceptable farm records;
- Borrowers must operate in accordance with a farm plan they develop and agree to with FSA;

- Borrowers may be required to participate in a financial management training program, and may be required to obtain crop insurance.

### **What Are the Terms of an EM Loan?**

Loans for crop, livestock, and non-real-estate losses are normally repaid in 1 to 7 years depending upon the loan purpose, repayment ability, and collateral available as loan security. In special circumstances, terms of up to 20 years may be authorized. Loans for physical losses to real estate must normally be repaid within 30 years. In unusual circumstances, repayment may be extended over a maximum of 40 years. EM loan borrowers are expected to return to conventional credit sources when they are financially able. EM loans are a temporary source of credit, and FSA reviews borrowers periodically to determine whether they can return or "graduate" to commercial credit.

### **What Is the Interest Rate?**

The EM annual interest rate is set by the Secretary of Agriculture. The current interest rate is 3.75 percent.

### **Security Requirements**

All EM loans must be fully collateralized. A first lien is required on all property or products acquired, produced, or refinanced with loan funds. The specific type of collateral required may vary depending upon the loan purpose, repayment ability, and the individual circumstances of the applicant.

### **Other Requirements**

Applications for EM loans must be received within 8 months of the disaster designation date.

### **How Does EM Loan Assistance Become Available?**

For EM loan assistance to become available, the county in which the damage occurred must be designated as a disaster area, or be contiguous to a county that is designated. Depending on the nature of the disaster, assistance may be made available under the following kinds of designations:

#### **Presidential Disaster Declarations**

At the request of a State Governor, the President can declare a county to be a major disaster area under the terms of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Under a Presidential declaration, EM loans are made available to qualifying producers in the designated and contiguous counties. Under a Presidential declaration, help is also available from other Federal agencies.

#### **Secretarial Disaster Designations**

At the request of a State Governor or Indian Tribal Council, the Secretary of Agriculture can designate counties as disaster areas and provide EM loan assistance for physical and production losses in those and contiguous counties. Certain Small Business

Administration (SBA) disaster assistance is also available to qualifying applicants under a Secretarial designation.

**Physical Loss Designations**

FSA Administrator's Physical Loss Notifications are initiated by FSA County Executive Directors and recommended by the FSA State Executive Director to the Administrator. The Administrator can designate counties as disaster areas, and provide EM loan assistance, for physical losses only, to qualifying applicants in designated and contiguous counties.

Physical losses include loss or damage to essential physical property, such as buildings, machinery, fences, etc. Orchard trees and livestock kept for breeding purposes may also be considered as physical property.

## The Noninsured Crop Disaster Assistance Program (NAP)

*from <http://www.fsa.usda.gov/pas/disaster/nap.htm>*

NAP is for crops for which crop insurance is not available. It provides assistance for farmers who grow such crops, limiting their losses from natural disaster and helping to manage their overall business risk.

NOTE: To be eligible for assistance in the event of a disaster, you must provide certain information to FSA annually, **before** a disaster occurs. See below.

### What Crops Are Eligible for Protection Under NAP?

Eligible crops include agricultural commodities that are:

- Grown for food;
- Planted and grown for livestock consumption, including but not limited to grain and seeded and native forage crops;
- Grown for fiber, except for trees; and
- Specialty crops, such as aquaculture, floriculture, ornamental nursery, Christmas trees, turf for sod, industrial crops, and seed crops used to produce crops that are eligible for NAP.

### How Do I Become Eligible for Protection Under NAP?

Producers who want protection under NAP must make certain required crop information available to FSA every year by the established program reporting deadlines. They must also maintain certain farm production records throughout the year. To ensure that they will be able to take advantage of assistance under NAP, should it become available, producers **must** meet all program requirements.

Specifically, to be eligible for NAP, producers must:

- Accurately report the acreages and shares for all crops potentially eligible for NAP on or before the required deadline (contact local FSA county offices for acreage reporting dates);
- Report crop losses within 15 days of the date disaster occurs or the date crop damage becomes apparent;
- Certify crop production history and report current crop year production;
- Earn not more than \$2 million in annual gross revenue per "person," as defined by FSA, in the operation;
- Certify that they comply with all highly erodible land and wetland conservation requirements;
- Request measurement service if needed; and
- Request payments by the acreage reporting date of the year following the year of the disaster.

### **How Much Does NAP Cost?**

Unlike Catastrophic Crop Insurance Coverage, producers do not have to pay an up-front fee or premium to obtain assistance under NAP.

### **When Does NAP Become Available?**

Assistance becomes available when natural disaster causes production losses:

- Greater than 35 percent of an eligible crop over a geographic area defined by FSA;
- Affecting a minimum of 5 producers of crops suffering the required area loss on separate and distinct farms in the 50 United States, or a minimum of 10 producers of each crop suffering the required area loss on separate and distinct farms outside the 50 United States.

The minimum geographic area eligible for consideration is one of the following:

- A county;
- At least 320,000 contiguous acres; or
- Acreage on which the annual value of all crops grown is \$80 million or more.

The minimum geographic area requirement does not apply outside the 50 United States. The FSA State and county committees monitor local weather and crop conditions to determine when to request assistance under the program. The committees assess crop losses and make recommendations to the FSA Deputy Administrator for Farm Programs, who determines whether the losses meet the criteria for establishing a NAP area. Producers' reports of crop acreage, crop damage, and historical yields based in part on actual production records are used in part by the committees in deciding whether to recommend program approval.

### **How Much Assistance Can I Receive?**

FSA compensates producers for:

- Losses of eligible crops exceeding 50 percent of the expected yield, based on 60 percent of the average market price of the commodity (as determined by FSA) for 1998 and prior crops, and 55 percent of the average market price of the commodity for 1999 and subsequent crops;
- Prevented planting of more than 35 percent of intended acreage.

The payment rate is reduced for any crop that is unharvested or prevented from being planted, to reflect the difference in costs incurred.

Payments under NAP to any single person cannot exceed \$100,000 for any given crop year. Producers cannot receive assistance for the same loss under more than one USDA program.

**Exception:** Effective with the October 21, 1998, enactment of Pub. L. 105-277:

- Emergency loans are not subject to the multiple benefit exclusion, and
- Producers may receive NAP and assistance under the disaster programs identified in Subtitle A of The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999.

### **How Are Crop Losses Defined?**

As with crop insurance, FSA allows you to establish an expected level of production for your operation that reflects your normal production capabilities.

Except for a few crops that are considered "value loss" crops, your actual history of producing the crop is used to determine the extent of the loss in the disaster year. FSA calculates normal yields by averaging actual yields over a 4- to 10-year period. If at least 4 years of acceptable production records are not provided, a yield will be assigned, which may be lower than the actual average yield.

Individual crop losses are determined on a unit basis. A unit includes all of the acreage of the crop in the county in which the producer has the same interest. For example, land owned by a producer is included in the same unit with land leased by the producer, if a 100 percent share in the crop is maintained on both operations.

## Disaster Legal Services Fact Sheet

When the President declares a disaster, the Federal Emergency Management Agency, through an agreement with the Young Lawyers Division of the American Bar Association, provides free legal help for victims of that disaster. Legal advice is limited to cases that will not produce a fee (i.e., those cases where attorneys are paid part of the settlement, which is awarded by the court). The assistance that local lawyers provide typically include:

- ◆ Help with insurance claims for doctor and hospital bills, loss of property, loss of life, etc.
- ◆ Drawing up new wills and other legal papers lost in the disaster.
- ◆ Help with home repair contracts and contractors.
- ◆ Advice on problems with landlords.
- ◆ Preparing powers of attorney.
- ◆ Help with guardianships and other similar legal problems.

In the authorizing legislation (the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Section 415), disaster legal services are meant for low-income individuals who, prior to or because of the disaster, are unable to secure legal services adequate to meet their needs as a consequence of a major disaster.

Cases that may generate a fee are turned over to the local lawyer referral service.

## Young Lawyers Division, American Bar Association

### Service To The Public

*from <http://www.abanet.org/yld/publicservice.html>*

#### **Over Sixty-Six Years of Commitment to Public Service**

To the credit of so many hard working young lawyer volunteers over many years, the ABA Young Lawyers Division has distinguished itself as the premiere young lawyers organization in the world. Nearly 140,000 members strong, with nearly 300 affiliated state and local young lawyers associations (affiliates), the Division has made its mark as the pro bono and public service arm of the American Bar Association. From the Division's Center on Children and the Law, to the free legal services provided to disaster victims via the Division's relationship with the Federal Emergency Management Agency (FEMA), to the countless local programs providing direct legal services to persons of modest means in communities across the nation, the Division has made a positive difference in the lives of real people.

## Social Security Administration Handbook

### **Disaster Assistance Information** *from www.ssa.gov*

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#### **2163. Resources affected by a disaster.**

IN THE EVENT OF A DISASTER, EXCLUSIONS FROM RESOURCES MAY BE APPLICABLE AS EXPLAINED BELOW.

- A. A major disaster is one declared by the President to be such for purposes of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. When a major disaster occurs, the following resource exclusions apply:
1. Any assistance provided under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, under any other Federal statute because of the disaster--or comparable assistance received from a State or local government or from a disaster assistance organization--if retained--is excluded.
  2. Any interest earned on assistance described in (1) is also excluded.
- B. When an *excluded* resource is lost, damaged or stolen, cash or in-kind replacement from any source is excluded. For purposes of this exclusion, "cash" includes any interest earned on the cash. Both cash received and interest earned can be excluded for up to 9 months (which can be extended to 18 months for good cause) from the date of receipt. For victims of Hurricane Andrew and, effective February 15, 1996, other victims of presidentially-declared major disasters, the exclusion may be extended for 12 months beyond the 9-month extension for good cause.

#### **§416.1150 How we treat income received because of a major disaster.**

(a) *General.* The Disaster Relief and Emergency Assistance Act and other Federal statutes provide assistance to victims of major disasters. In this section we describe when we do not count certain kinds of assistance you receive under these statutes.

(b) *Support and maintenance.* (1) We do not count the value of support and maintenance (in cash or in kind) received from a Federal, State, or local government source, or from a disaster assistance organization, and the one-third reduction rule does not apply if--

- (i) You live in a household which you or you and another person maintain as your home when a catastrophe occurs in the area;
- (ii) The President of the United States declares the catastrophe to be a major disaster for purposes of the Disaster Relief and Emergency Assistance Act;
- (iii) You stop living in the home because of the catastrophe and within 30 days after the catastrophe you begin to receive support and maintenance; and
- (iv) You receive the support and maintenance while living in a residential facility maintained by another person.

(2) We do not count the value of support and maintenance (in cash or in kind) received from any other source, such as from a private household, and the one-third reduction rule does not apply for up to 18 months after you begin to receive it if--

- (i) You live in a household which you or you and another person maintain as your home when a catastrophe occurs in the area;
  - (ii) The President of the United States declares the catastrophe to be a major disaster for purposes of the Disaster Relief and Emergency Assistance Act;
  - (iii) You stop living in the home because of the catastrophe and within 30 days after the catastrophe you begin to receive support and maintenance; and
  - (iv) You receive the support and maintenance while living in a residential facility (including a private household) maintained by another person.
- (c) *Other assistance you receive.* We do not consider other assistance to be income if you receive it under the Disaster Relief and Emergency Assistance Act or under another Federal statute because of a catastrophe which the President declares to be a major disaster or if you receive it from a State or local government or from a disaster assistance organization. For example, you may receive payments to repair or replace your home or other property.
- (d) *Interest payments.* We do not count any interest earned on the assistance payments described in paragraph (c) of this section.
- [57 FR 53850, Nov. 13, 1992]

## U.S. Veterans Administration

**Disaster Assistance Information**  
from <http://www.va.gov/publ/direc/benefits/m265apb.htm>

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APPENDIX B  
MEMORANDUM OF UNDERSTANDING  
VETERANS ADMINISTRATION  
AND THE  
FEDERAL EMERGENCY MANAGEMENT AGENCY  
(Major Disasters or Emergencies)

- I. PURPOSE. This agreement defines the working relationships between the Veterans Administration (VA) and the Federal Emergency Management Agency (FEMA) with respect to disaster preparedness and relief activities which may be coordinated during and after a major disaster or emergency.
- II. AUTHORITIES
  - A. The Disaster Relief Act of 1974 (PL 93-288) provides for assistance by the Federal Government to State and local governments in expediting aid, assistance and emergency services resulting from a major disaster or emergency.
  - B. Executive Order 12148 (July 20, 1979) empowers the FEMA Director, based on authority delegated to him by the President, to enter into agreements with relief or disaster assistance organizations to provide relief during and after a major disaster or emergency.
- III. RESPONSIBILITIES
  - A. VA. Emergency preparedness responsibilities are an important element of VA's mission and are integrated throughout VA programs in health care and medical services, benefits payments, guaranty functions and memorial affairs.
  - B. FEMA. Has overall responsibility for coordinating federal disaster assistance plans and the subsequent administration of disaster relief activities, following a declaration by the President regarding an emergency or disaster situation.
- IV. ASSISTANCE THAT MAY BE AVAILABLE FROM VA.
  - A. Health Care: Emergency medical services.
  - B. Financial: Priority opportunities for VA borrowers displaced by disaster to acquire VA properties. VA lending assistance to purchase housing.

- C. Personnel: VA representatives assigned to FEMA Disaster Assistance Centers to counsel eligible disaster victims on VA loans, and on other forms of VA assistance.
- D. Supply Support: Health care supplies and equipment, drugs, medicine, and other medical items.
- E. Housing: Single family and multiple housing units which are habitable and to which VA has title and possession may be assigned to FEMA for use by disaster victims.
- F. Food: Food, provided by others and distributed where VA space or facilities permit.
- G. Technical: Engineering expertise, damage assessment, hazard analysis, salvage or reconstruction advice in situations affecting building structures.

#### V. EMERGENCY OPERATIONS

- A. VA facilities in a disaster area may be affected or involved in the community response prior to a Presidential declaration of an emergency or major disaster. In these instances, emergency services will have been rendered within the limits of VA authority. Title 38, U.S. Code, section 611(b), authorizes the VA to furnish hospital service on a humanitarian basis in emergency cases and charge for such care at rates prescribed by the Administrator.
- B. FEMA will notify the VA Central Office (VACO) Emergency Coordinator by teletype of Presidential declarations of major disasters or emergencies and the designation of a Federal Coordinating Officer (FCO) to administer relief activities. In turn, VACO will advise the VA Liaison Representatives in the affected Federal Region, who will inform appropriate VA field elements.
- C. Upon declaration of a major disaster or emergency by the President, and under provisions of sections 302 and 305 of the Act (PL 93-288), the Administrator of Veterans Affairs may be requested by the Director, FEMA, to provide emergency hospital services or other disaster relief assistance. The Director's representative will contact the VACO Emergency Management Staff regarding the type of assistance needed. Telephone contact points providing 24-hour service between VA and FEMA Emergency Operations Staff will be established pursuant to this agreement. VA resources will be surveyed by the appropriate Department heads, and the Administrator will be informed of the contemplated action. A specific VA official will be designated to coordinate with the field elements involved and serve as the Agency contact point with FEMA's FCO. A formal mission assignment will be issued by FEMA, to provide the basis for subsequent reimbursement. VA field elements will report through established channels any requests received directly from FEMA's FCO or Regional Director.

- D. Detailed procedures related to temporary housing are addressed in Attachment I of this agreement.
- E. Upon the declaration of a major disaster or emergency by the President, and upon the request of the FCO, the VA will provide representatives to the FEMA Disaster Assistance Centers to advise and counsel eligible disaster victims on VA loans, checks, and other forms of VA assistance. This request by FEMA may be directed to the VA Associate Liaison Representative (Department of Veterans Benefits [DVB] Regional Director).

#### VI. REIMBURSEMENT

If the President declares an emergency or major disaster, and if subsequently the Veterans Administration (VA) is given a mission assignment, reimbursement shall be made subject to the availability of appropriations. Reimbursement for VA expenditures will be based upon the terms of FEMA mission assignments issued to the VA retroactive to the date of incident. Policies and procedures governing such reimbursements are found in 44 CFR part 205, subpart I.

#### VII. EFFECTIVE DATE.

This Memorandum of Understanding becomes effective on the date of last signature. Both parties have the authority to amend provisions of this Memorandum of Understanding or terminate it upon mutual consent. Either party may terminate this agreement on giving thirty days notice to the other.

### Attachment 1 TEMPORARY HOUSING FOR DISASTER VICTIMS

- a. Purpose. After declaration of major disaster or emergency by the President, and in accordance with Sections 302(a) and 404(a) of the Disaster Relief Act of 1974 (Public Law 93-288), the Veterans Administration (VA) may assign to FEMA habitable single-family and multiple housing units to which the VA has title and possession, for the purpose of providing temporary housing to eligible disaster victims. The units may also be used by a State when it administers the Temporary Housing Assistance program on FEMA's behalf.
- b. Method of Assignment
  - 1. Upon such declaration, FEMA may request from the appropriate VA Associate Liaison Representative (DVB Regional Office Director) a list of all habitable housing units owned by the VA which are available for use as temporary housing. The request will indicate the areas, by county, where temporary housing assistance is needed.
  - 2. At its discretion, VA may sell or lease units directly to displaced VA borrowers instead of providing them to FEMA. VA will provide FEMA a list

of such sales or leases for information purposes and to prevent duplication of benefits.

3. During the period of occupancy, FEMA will inform temporary housing occupants, as appropriate, of the availability of VA assistance for purchase of the VA-owned housing units as permanent housing.
4. Before assignment to FEMA and occupancy by a disaster victim, each housing unit under consideration will be inspected jointly by FEMA and the VA. The agencies will then execute a Letter of Assignment (Attachment Ia) for each habitable housing unit to be assigned to FEMA. A preoccupancy and Termination Joint Inspection report, FEMA 90-11 (Attachment Ib), will be prepared, signed by both agencies, and attached to the letter of assignment. The VA case number will be noted prominently on this form.
5. VA will remove all VA signs, such as "No Trespassing," "For Sale," etc., and VA identification, from housing units assigned to FEMA.

c. Management of Housing Units

1. FEMA will assume maintenance and tenant management responsibilities for each assigned unit during the period of assignment and may request VA to perform maintenance not ordinarily the responsibility of occupants. FEMA will reimburse VA for the cost of any such maintenance. In addition, during normal business hours, VA-authorized personnel may inspect housing units. Advance notice of 48 hours will be given to FEMA, who will, in turn, advise the occupant.
2. Utility payments are the responsibility of the temporary housing occupant.
3. FEMA shall furnish to the VA the names and mailing addresses of VA-unit occupants, the address and VA case number of the property being occupied, the beginning occupancy date, notice of changes in occupancy and, not later than six months after the date of beginning occupancy, the probable date the occupant may be expected to vacate each property.
4. If VA determines that one of its units is not being utilized properly by a temporary housing occupant, VA shall notify FEMA. After consultation with VA, or upon FEMA's own initiative without consultation with VA, if FEMA determines that the occupant no longer qualifies for temporary housing under the Disaster Relief Act and/or that grounds for termination exist as specified in 44 CFR 205.52, FEMA will conduct the predetermination procedures set forth therein. If the occupant does not vacate the unit voluntarily and has no further administrative resource under 44 CFR 205.52, FEMA will relinquish its interest in the unit to VA so that VA may begin eviction action.
5. FEMA will reimburse VA for the cost of all evictions resulting from actions taken in paragraph 4 above.
6. VA will not charge FEMA rent for assigned units for the first 12 months from the date of the Letter of Assignment. If a housing unit remains assigned to FEMA for more than one year after the date of the Letter of

Assignment, FEMA shall pay to the VA the fair market rental value as determined by the VA for each subsequent month.

7. Subject to the availability of funds, FEMA shall reimburse to VA actual reasonable expenses VA incurred to make assigned properties habitable prior to occupancy, as well as the maintenance costs stated in paragraph c.1. This amount shall not exceed two percent of the current market value of the unit repaired, unless FEMA grants prior approval. FEMA shall also reimburse VA for each unit's accrued real estate taxes and/or special assessments, and for property management fees, while the units are assigned to FEMA.

d. Return of Housing Units to VA

1. FEMA shall notify the VA when a housing unit is vacated and is no longer needed as temporary housing.
2. FEMA and VA will jointly inspect the vacated housing unit to determine what maintenance, clean-up, and repairs are required to return the unit to a condition comparable to the condition it was in at the inception of FEMA-sponsored occupancy. FEMA shall accomplish and pay for maintenance, cleanup, and repair in accordance with local, State, and Federal codes, or shall reimburse VA for doing so as agreed by local representatives of each agency.
3. FEMA shall return the keys to, custody of, and responsibility for the housing unit to the VA when needed repairs are completed. The VA shall prepare a receipt for the unit and provide a copy to FEMA.

Attachment 1a  
FEDERAL EMERGENCY MANAGEMENT AGENCY  
AND  
VETERANS ADMINISTRATION  
FEMA-VA LETTER OF ASSIGNMENT

STATE: \_\_\_\_\_

COUNTY; \_\_\_\_\_

Under the Memorandum of Understanding between the Federal Emergency Management Agency (FEMA) and the Veterans Administration (VA) effective \_\_\_\_\_, the habitable housing unit(s) identified on the attached inspection report is/are made available for use as temporary housing for victim(s) located within the following described designated disaster area and who are eligible for such assistance under the provisions of the Disaster Relief Act of 1974:

This Letter of Assignment shall become effective on the date signed by the authorized employees, contractors, or agents. This assignment is for the housing unit identified by the attached inspection report and having the following VA case number:

\_\_\_\_\_.

## Cora Brown Fund Fact Sheet

**Conditions for use of the Cora Brown Fund.** As stated in 44 CFR Chapter 1(10-1-98 Edition) Subpart F, Other Individual Assistance, 206.181; (c) "The Cora Brown Fund is available only when the President declares that a major disaster or emergency exist under the [Stafford] Act..."

Cora C. Brown of Kansas City, Missouri, died in 1977 leaving a portion of her estate to the United States to be used as a special fund solely for the relief of human suffering caused by natural disasters. FEMA uses these funds under the authority of Section 601(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 100-707).

Disaster victims need not apply for assistance from this fund. Rather, the FEMA Regional Director, with assistance from other governmental agencies and disaster Voluntary Agencies, identifies potential recipients. The funds are used to assist victims/survivors of Presidentially Declared major disasters for disaster-related needs that have not or will not be met by governmental agencies or other organizations which have programs to address such needs. This fund may not be used in a way that is inconsistent with other Federally mandated disaster assistance or insurance programs.

A verification of the facts of each case must be conducted by the FEMA Regional Director, who then prepares a memorandum of recommendation to and decision of the Associate Director, Response and Recovery.