

ANNEX 7:

Summary of Guidance on Disaster Housing Assistance Available under the Stafford Disaster Relief and Emergency Assistance Act, including Eligibility Criteria and Application Procedures

Introduction

The Stafford Act is a key component of disaster housing legislation. Federal disaster assistance legislation and programs have been evolving since 1950. Through legislation, a variety of disaster relief programs have been established and a wide range of needs addressed. With concern about the use of the disaster authority for responding to non-major disasters, Congress undertook a comprehensive study and review of its disaster programs and subsequently passed the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988. The Stafford Act has been amended numerous times, improving existing and incorporating new legislation. As a result, the Stafford Act is still the major legislation under which FEMA operates today and provides a framework for continued disaster relief.

Differences in interpretations of programs under the Stafford Act have led to inconsistencies in assistance provided. Disaster assistance provided under the Stafford Act has not always been streamlined and consistent. The Stafford Act authorizes FEMA, under a delegation from the President, to coordinate the relief activities of government and private disaster assistance organizations. As FEMA is responsible for coordination of Stafford Act programs but relies on other government and nongovernmental organizations (NGOs) to supplement these efforts, confusion has arisen surrounding the scope of FEMA's programs and the responsibilities and roles of FEMA and other entities in providing disaster housing assistance.

A concise, comprehensive resource of disaster housing assistance will present disaster planners, as well as the organizations with whom they work, with a clear and thorough description of disaster housing guidelines to enrich their assistance capabilities. There are Stafford Act programs available at all stages of disaster housing, and the programs authorized by the Stafford Act provide a wide breadth of assistance. Therefore, a consistent understanding of these programs, including their capabilities and limitations, is essential for all engaged in the disaster housing planning process. This also translates into improved assistance for applicants as planners and staff can provide clear and consolidated information on available disaster assistance programs and administer assistance consistently.

Individuals and households initiate and support their applications to receive assistance from Stafford Act programs. Those who receive disaster assistance under a Stafford Act program are responsible for using this assistance for the intended purpose and for disaster related expenses only and keeping their receipts. An understanding of application requirements

will also better enable the local, State, and private sector organizations to comprehensively and efficiently provide assistance.

Purpose

This Annex is intended to provide disaster planners at all levels (local, State, tribal, and Federal) with a clear overview and understanding of housing programs under the Stafford Act. Following are the eligibility requirements and application procedures for each type of Federal housing assistance available to individuals and households affected by a disaster, concentrating on the interaction and overlap between Stafford Act disaster assistance housing programs. Programs and methods selected for inclusion in this Annex directly provide, or help to provide, sheltering, interim, or permanent housing, as outlined and authorized by the Stafford Act, for living for individuals or households affected by a major disaster. These programs help individuals and households return to their pre-disaster state of self-sustainable housing, employment, and other essential services.

The Stafford Act

The Stafford Act enables the Federal Government to assist States affected by a disaster to expedite the rendering of aid and emergency services as well as the reconstruction of devastated areas. The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) (Public Law 100-707) is a United States Federal law which constitutes the statutory authority for most Federal disaster response activities especially as they pertain to FEMA and FEMA programs.

This Act provides a framework for continued disaster relief and provides the authority for FEMA's role in managing Federal disaster assistance. A key condition of the Act is that State, tribal, and local governments have the primary responsibility to respond to a disaster. Federal assistance is designed to supplement the efforts and available resources of State, tribal, and local governments, as well as voluntary relief organizations in alleviating the damage, loss, hardship, or suffering resulting from a disaster. FEMA may task any Federal agency, with or without reimbursement, to provide assistance to State, tribal, and local disaster efforts in a declared disaster.

The Stafford Act was signed into law November 23, 1988, amending the Disaster Relief Act of 1974 (PL 93-288). Congress amended the Disaster Relief Act multiple times, including by passing the Disaster Mitigation Act of 2000 (PL 106-390), and, again in 2006, with the Post-Katrina Emergency Management Reform Act (PL 109-295) and the Pets Evacuation and Transportation Standards Act (PL 109-308).

The Stafford Act referenced herein is the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, as of August 2007.

Stafford Act Disaster Housing Assistance

A key component of the Stafford Act is a clear definition of housing assistance and how it may be provided in the wake of a disaster. FEMA may provide disaster housing assistance to individuals and households who have been displaced from their pre-disaster primary residences or whose pre-disaster primary residences have been rendered uninhabitable or inaccessible by a major disaster. Limitations include a maximum amount of assistance that an *applicant* may be eligible to receive for each disaster event. Housing Assistance provided under the Stafford Act includes:

- **Section 403 Essential Assistance (42 U.S.C. 517ob)**. This section outlines FEMA Public Assistance and allows for Federal agencies to provide assistance in meeting immediate threats to life and property resulting from a major disaster, including emergency sheltering.
- **Section 404 Hazard Mitigation (42 U.S.C. 517c)**. This section provides mitigation measures to reduce the risk of future damage or suffering in any area affected by a major disaster. This includes Federal Government property acquisition and relocation assistance for projects that meet the requirements for hazard mitigation.
- **Section 408 Federal Assistance to Individuals and Households (42 U.S.C. 5174)**. Four types of Housing Assistance are provided under Section 408 of the Stafford Act.
 - **Temporary Housing**. Temporary housing assistance is provided either financially, allowing disaster victims to rent a housing unit, or directly, allowing disaster victims to reside in properties acquired by government purchase or lease.
 - **Repair**. FEMA may provide financial assistance for the repair of owner-occupied primary residences that sustained damage by a major disaster. This is intended to return the primary residence to a safe, sanitary, and functional condition, not to the pre-disaster condition.
 - **Replacement**. FEMA may provide financial assistance for the replacement of owner occupied primary residences destroyed by a major disaster.
 - **Permanent or semi-permanent housing**. Financial or direct assistance to individuals or households may be provided to construct permanent or semi-permanent housing.

Post Katrina Emergency Management Reform Act

The Post-Katrina Emergency Management Reform Act (PKEMRA) of 2006 amends the Stafford Act and expands FEMA's role for disaster response and preparedness as well as providing the authority for the *Strategy*. As authorized by PKEMRA, the Federal Government may provide technical and advisory assistance to State and local governments for recovery and planning activity. PKEMRA calls for the FEMA Administrator, in coordination the National Advisory Council, the National Council on Disability, and other Federal agencies, to develop, coordinate, and maintain a disaster recovery strategy.

Basic Eligibility criteria for FEMA Housing Assistance

Basic eligibility criteria exist for all Stafford Act disaster housing programs. Underlying principles for all programs administered under the authority of the Stafford Act provide an understanding of the decisive factors needed to meet basic program eligibility.

Standard Criteria

Basic eligibility is determined from information provided by individual applicants. Households are eligible when displacement occurs from their pre-disaster primary residence. Repair and replacement funds are available when the household has no insurance or insufficient insurance to cover required repairs to the residence.

In addition, applicants must declare that they are a U.S. Citizen, Non-Citizen National, or Qualified Alien to receive assistance and will be asked to sign a Declaration and Release Form during a physical property inspection. Minors who are a U.S. Citizen, Non-Citizen National, or Qualified Alien may be eligible to receive assistance on behalf of their parents or heads of the household, who are non-qualified citizens.

The Federal Government establishes and maintains stewardship of taxpayer dollars by validating basic criteria for eligibility. The accuracy of the information received from applicants includes verification of basic identity information with their name and Social Security Number (SSN) to ensure that the application is valid and that damaged property locations are within Presidentially declared designated counties. Typically, only one member of the household is eligible to receive disaster housing benefits.

Standard Limitations

In addition to the standard eligibility criteria defined above, standard limitations exist for all types of Stafford Act disaster housing assistance. These limitations are based on the circumstances that may prevent a household from receiving benefits to provide for housing needs. However, FEMA and other agencies assist households to overcome such limitations.

Limitations that apply to all types of disaster housing assistance under the Stafford Act are defined below; specific program limitations will be covered in each program's eligibility section. Additionally, standard limitations exist in relation to local and State zoning regulations and other codes. These limitations should be consulted for locality-based specific criteria.

- **Insurance.** Individuals and households with applicable insurance must meet standard criteria to receive Federal assistance. Generally, the applicant's net insurance settlement¹ is compared to the verified losses determined by FEMA. If the net insurance settlement is greater than the verified losses, or if the net insurance settlement is greater than the

¹ Insurance settlements for items that are not covered by the FEMA Individuals and Households Program, such as fences, outbuildings, barns, and food loss, are not considered a duplication of benefits. Any insurance proceeds for recoverable appreciation and/or that must be applied to reduce a mortgage on the property (e.g., forced placed policies) are not considered a duplication of benefits with IHP assistance.

maximum award provided for individual and household assistance, the applicant is determined to be ineligible for assistance under Stafford Act programs. However, temporary housing financial assistance (rent) may be provided to households with homeowners' insurance if they meet the other eligibility requirements for the housing assistance program.

- **The National Flood Insurance Reform Act of 1994 (NFIRA).** NFIRA establishes limitations on assistance provided for flood-damaged property if the property is located within a Special Flood Hazard Area (SFHA). A SFHA is defined as an area with a high flood risk having at least a 1 percent chance of being inundated by a flood in any given year. Specifically, the Act requires the mandatory purchase and maintenance of flood insurance as a condition for receiving Federal or Federally related financial assistance for the repair, replacement, or rebuilding of the insurable portions of a residence in a SFHA.
- **Coastal Barrier Resources Act (CBRA).** The Coastal Barrier Resources Act (CBRA) restricts Federal support that is provided for development on coastal barriers, landscape features that shield the mainland from the full force of wind, wave, and tidal energies. Through this protection, the CBRA intends to minimize loss of human life by discouraging development in high risk areas, reduce wasteful expenditure of Federal resources, and protect the natural resources associated with coastal barriers.

This Act also restricts housing assistance provided under Section 408 of the Stafford Act. Housing assistance, including repair, replacement, and semi-permanent or permanent construction, is not authorized to those who live in an Otherwise Protected Areas (OPA) or Coastal Barrier Resources System (CBRS). Limitations may allow temporary housing assistance to be provided to applicants if they meet the other eligibility requirements. Most other Human Services programs are available to residents of an OPA or CBRA zone without restriction.

- **Preservation.** Assistance provided by FEMA under Section 408 of the Stafford Act must comply with the various national environmental and historic preservation laws and policies. This includes the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA), the Endangered Species Act (ESA), 44 CFR 9 – Floodplain Management and Wetlands Protection, the Clean Water Act (CWA), and any additional and pertinent authorities. FEMA engages in environmental and historic preservation reviews of its Section 408 activities before carrying out the actions. These reviews help the agency to identify unfeasible or problematic sites, resources that must be protected, and adverse impacts that must be mitigated. Full specifications as to what these reviews entail are available in Annex 4.

Additionally, sufficient time and resources must be allotted for meeting various regulatory and administrative requirements, including environmental and historic preservation considerations, Davis-Bacon minimum wage provisions, licensing/building codes, and accessibility specifications.

Appeals Process

If FEMA decides that an applicant does not qualify for assistance, the applicant will be provided with the opportunity to appeal the decision. The written appeal must detail reasons why the

applicant does not agree with the decision and include any supporting documentation. All appeals must be mailed within 60 days of FEMA's decision. Appeals may relate to the applicant's determined eligibility, the amount or type of assistance provided, late applications, requests from FEMA to return money, or questions regarding continuing assistance. Full appeal procedures are discussed in the 'Application Procedures for FEMA Assistance' on page 24 of this annex.

Sequence of Delivery

A standard process and order, or sequence of delivery, is used to provide the distribution and awarding of specific types of disaster assistance. In order to ensure that consistent and effective assistance is provided in the wake of a disaster, the Stafford Act disaster housing program is administered as part of a standard sequence of delivery. After a disaster occurs, emergency assistance, including food, shelter, clothing, and medical needs, is provided for disaster victims. This is administered primarily by voluntary agencies, with Federal emergency sheltering authority by Section 403 of the Stafford Act.

Programs to restore the applicants to their pre-disaster standard of living start once their basic needs have been met. Stafford Act and other Federal assistance programs provide funds only to make a home safe, sanitary, and functional. Disaster victims must first contact their insurance companies to file a claim for disaster related damages. If disaster victims do not have homeowners' insurance or their net settlement is less than the verified damage determined, they may be eligible for housing assistance under the Section 408 Stafford Act Housing Programs. The total maximum award for all types of FEMA assistance, including housing, is \$28,200 for disasters declared in 2007 and \$28,800 for disasters declared in 2008. Based on need and circumstance, applicants may also be eligible for additional housing funds or assistance from the Small Business Administration (SBA) or other voluntary agencies. Please see Annex 1 of the *Strategy* for more information on these programs.

- **Duplication of Benefits.** "Duplication of Benefits" refers to assistance provided for the same purpose from more than one source. Federal laws prohibit a property owner from receiving federal funds if assistance was provided from another source for the same item. As the sequence of delivery dictates the order of assistance received by victims, duplication of benefits may occur when insurance settlements are delayed due to the magnitude of a disaster event or the dissatisfaction of the findings to damaged property. If the applicant's insurance company will not be able to provide any payment, even an advance, sooner than 30 days from the date of the claim, the applicant may request an advancement of FEMA assistance. Limitations include a 30-day waiting period once a claim is filed, and assistance considered an advancement of the insurance settlement. With this understanding, assistance is promptly recovered by FEMA when the household receives the insurance funds.

Additional limitations may be imposed when disaster events affect the same geographic locations repeatedly over time, as FEMA ensures that applicants receive eligible assistance in any new disaster event without duplicating the assistance received from a previous disaster event.

FEMA partners with other governmental organizations to share FEMA applicant information, which is vital to providing support from multiple disaster assistance sources and preventing duplication of benefits. Sharing applicants' identity information must be accomplished in compliance with the Privacy Act and related regulations. FEMA has an established set of routine uses under which such information may be shared, as well as procedures in place to do so. These may be refined and improved for greater efficiency, but applicant information cannot be shared without Privacy Act compliance.

Sheltering Programs

Sheltering programs focus on meeting the immediate needs of individuals who cannot locate temporary accommodations after a disaster. These programs also provide plans for major or catastrophic disasters with high demand and longer term services. Refer to the *Strategy* Chapter 3, pages 25 – 40.

FEMA coordinates and leads Federal resources, as required, to support State, local, tribal government and NGOs by providing assistance for emergency shelter, mass care, and emergency assistance in recovering from the devastating effects of disasters. Funds are allocated from the President's Disaster Relief Fund to States to provide shelters in a designated emergency; individuals receive assistance directly from the State or through a State fund mechanism. Examples of shelters used include traditional congregate shelters, special events and conference centers, hotels and motels, tents, railroad cars, shipping containers, cruise ships and sponsorship by family and friends.

Emergency Sheltering

FEMA is authorized under the Stafford Act Section 403 to provide emergency sheltering assistance.

Stafford Act, 42 USC §5174 Sec. 403— Essential Assistance

- (a) In general - Federal agencies may, on the direction of the President, provide assistance essential to meeting immediate threats to life and property resulting from a major disaster, as follows:
 - (3) Work and services to save lives and protect property - Performing on public or private lands or waters any work or services essential to saving lives and protecting and preserving property or public health and safety, including -
 - (B) Search and rescue, emergency medical care, emergency mass care, emergency shelter, and provision of food, water, medicine, durable medical equipment, and other essential needs, including movement of supplies or persons;

- (J) Provision of rescue, care, shelter, and essential needs –
- (i) To individuals with household pets and service animals; and
 - (ii) To such pets and animals.

(b) Federal share - The Federal share of assistance under this section shall be not less than 75 percent of the eligible cost of such assistance.

Protocols are established to provide access to all facilities used as emergency shelters during FEMA's disaster assistance registration process and to provide assistance with replacement of personal documents, such as identification and proof of ownership. Before opening a facility to be used as a shelter, provisions must be established for food, water, power, sanitation, communications, basic first aid services, and modifications for accessibility. Additionally, a management structure must be established. In the event of a hurricane, federal assistance is available for shelter operations only after the hurricane makes landfall. Emergency assistance authorized under section 403 of the Stafford Act, including emergency shelters, is available to all residents from declared counties, including those within a CBRA or OPA zone.

In addition to traditional shelters, specific types of emergency sheltering provided include medical support shelters, functional needs shelters or units, household pet shelters, and shelters for use in major or catastrophic disasters.

- **Medical Support Shelters**. In coordination with the medical community, medical support shelters are typically run by local and/or tribal governments to accommodate those with functional disabilities and medical needs beyond the typical capability of traditional shelters. Every effort is made to allow caregivers to also stay in the medical support shelter.
- **Functional Needs Shelters**. Functional needs shelters supports (1) individuals with physical, cognitive, sensory, behavioral disabilities or other conditions that impacts their level of functioning and (2) individuals who have chronic medical or health conditions that require functional or medical support, but not at the level of care provided under the Medical Support Shelters. These shelters provide functional and/or medical support to the extent possible so that people can be accommodated in the least restrictive environment.
- **Household Pet Shelters**. Per section 403 (a)(3)(J), shelters shall be provided for disaster victims with service animals and pets. This is also in conjunction with the Pets Evacuation and Transportation Standards Act ("PETS Act"), which mandates that FEMA's preparedness plans "take into account the needs of individuals with pets and service animals prior to, during, and following a major disaster or emergency."
- **Shelters for Use in Major or Catastrophic Disasters**. Large venue facilities are used as congregate centers in response to a significantly large or catastrophic event that has displaced large numbers of individuals from their primary residences. These shelters include cruise ships, tents, vacant buildings, military barracks, dormitories, pre-fabricated structures, campgrounds, stadiums, and convention centers. These facilities may receive federal assistance, or may be operated under FEMA's direction, upon request by a State, given the following conditions:

- The number of evacuees exceeds other available congregate care resources.
- A mass evacuation effort is underway and a site is needed to provide a departure point for evacuees or initial processing upon arrival in a host location.
- Consolidating numerous smaller shelters in an affected community will achieve efficiency in staffing and resource allocation.
- Long-term housing options are limited and there is significant damage to infrastructure that impedes the implementation of other temporary housing methods.

The owners of approximately 75 percent of these facilities are members of the International Association of Assembly Managers, Inc. (IAAM), which has established guidelines for the use of their facilities as disaster shelters. This option generally requires a rental fee to the owner of the facility, as well as funds to cover the cost of restoring the facility to its pre-shelter condition after the shelter is closed.

Interim Housing Programs

Interim housing programs under the Stafford Act provide disaster victims with temporary accommodations until permanent housing can be established. Interim housing is not meant to restore the applicant to their pre-disaster standard of living but rather to provide a bridge between short-term sheltering and long-term, sustainable housing. Refer to the *Strategy* Chapter 3, pages 41 – 57, for full interim housing specifications.

The Stafford Act authorizes FEMA’s Individuals and Households Program (IHP), working in conjunction with other programs and entities, to provide for functional repair of damaged homes as well as financial and direct assistance for temporary housing. Forms of temporary disaster housing provided for by Stafford Act programs may include roofing or other repairs to facilitate sheltering in place, tents and pre-fabricated housing units, relocation, direct rental assistance paid to landlords, financial rental assistance paid to disaster victims, Federal Government housing resources, factory built housing, and conversion of commercial and publicly owned facilities.

Interim housing plans must be developed with consideration for climate, geography, and the cultural needs of the affected community. Generally, displaced residents prefer to remain near their damaged homes, particularly if repairs are in progress. However, infrastructure damage, including roads, utilities and other public services, may delay the ability to establish temporary housing in the immediate areas affected by the disaster. Relocation to neighboring municipalities and States may be necessary to meet temporary housing needs if the local housing stock is insufficient. Options and procedures for temporary housing in areas with employment opportunities and other resources but that are outside of communities affected by a major disaster are detailed in Annex 2.

Programs to Maximize Available Housing Resources

- **FEMA’s IHP Temporary Housing Assistance**. This program provides disaster victims with funds to be used to rent housing. Chapter 3 of the *Strategy* provides a brief overview of rental assistance, which is authorized by Section 408 of the Stafford Act as follows.

Stafford Act, 42 USC §5174 Sec. 408— Federal Assistance to Individuals and Households

(c) Types of Housing Assistance -

(1) Temporary housing -

(A) Financial assistance -

- (i) In general - The President may provide financial assistance to individuals or households to rent alternate housing accommodations, existing rental units, manufactured housing, recreational vehicles, or other readily fabricated dwellings. Such assistance may include the payment of the cost of utilities, excluding telephone service.
- (ii) Amount - The amount of assistance under clause (i) shall be based on the fair market rent for the accommodation provided plus the cost of any transportation, utility hookups, security deposits, or unit installation not provided directly by the President.

- **Provision of Temporary Housing Assistance.** Financial rental assistance is available as a cash grant of the Fair Market Rent (FMR) for the area, which is provided directly to the applicant. Qualified applicants will be awarded one or two months of initial rental assistance, based on the specific disaster type and criteria.
- **Eligibility.** Initial rental assistance may be provided to disaster victims whose primary residence in the declared area requires habitability repairs due to of disaster-related damages. The applicant must indicate the intent to move out of their pre-disaster residence while home repairs are in progress and must have no or insufficient insurance coverage for additional living expenses (ALE). Both owners and renters may also be awarded rental assistance during times when continued disruptions in essential utilities prevent homes from being occupied or when continued inaccessibility occurs as the result of a Presidentially declared disaster. Applicants who live in “non-traditional” forms of housing (tents, teepees, lean-to structures, etc.) are also eligible for rental assistance. Rental assistance is also authorized for household members residing in separate geographical areas if the circumstances for the separation are beyond the applicants’ control.
- **Continued Provision of Assistance.** FEMA may provide continue rental assistance to eligible applicants for up to 18 months if the applicant meets certain criteria and can demonstrate a continued need .

Repairs to Homes

- **Immediate Temporary Repairs.** After a disaster, FEMA may implement a Mission Assignment with the US Army Corps of Engineers, a contracting initiative which allows for the temporary roofing of damaged homes. The roofing is usually plastic sheeting (blue tarps) and is placed on homes in an effort to limit the amount of additional damage to the home.

The Individual Assistance (IA) officer will decide at the onset of a disaster if FEMA will implement the Mission Assignment.

- **FEMA's IHP Repair Assistance.** Under this program, money is available for homeowners to repair damage from the disaster to their primary residence that is not covered by insurance. The intent is to make the damaged home safe, sanitary, and functional. This program is authorized by Section 408 of the Stafford Act as follows.

Stafford Act, 42 USC §5174 Sec. 408— Federal Assistance to Individuals and Households

(c) Types of Housing Assistance –

(2) Repairs –

(A) In general - The President may provide financial assistance for -

- (i) The repair of owner-occupied private residences, utilities, and residential infrastructure (such as a private access route) damaged by a major disaster to a safe and sanitary living or functioning condition; and
- (ii) Eligible hazard mitigation measures that reduce the likelihood of future damage to such residences, utilities, or infrastructure.

(B) Relationship to other assistance - A recipient of assistance provided under this paragraph shall not be required to show that the assistance can be met through other means, except insurance proceeds.

Applicants may be eligible for financial repair assistance if their home is not safe, sanitary, and functional. However, at least \$50 in damage must have been sustained. The FEMA inspector will make a determination of overall habitability based on damages to essential construction components and the safety and sanitary conditions of the dwelling. In addition to repair funds, rental assistance can be provided to applicants whose primary residences require disaster-related habitability repairs and meet all other eligibility criteria.

Home repair assistance for flood damages may not be provided if the residence is located in a designated SFHA and the proposed repairs are insurable. However, assistance for items not typically covered by insurance (i.e., wells outside of the foundation, sewer and septic systems, or access to the residence) may be awarded.

- **FEMA's IHP Replacement Assistance.** The intent of Replacement Assistance is to help the homeowner with the cost of replacing their destroyed home. Money is available, up to the program maximum, for homeowners to replace their home destroyed in the disaster to the extent that is not covered by insurance.

Stafford Act, 42 USC §5174 Sec. 408— Federal Assistance to Individuals and Households

(c) Types of Housing Assistance –

(3) Replacement -

(A) In general - The President may provide financial assistance for the replacement of owner-occupied private residences damaged by a major disaster.

(B) Applicability of flood insurance requirement - With respect to assistance provided under this paragraph, the President may not waive any provision of Federal law requiring the purchase of flood insurance as a condition of the receipt of Federal disaster assistance.

Replacement awards are initiated based on the inspection determination that a home is destroyed or when the recorded damages exceed the maximum award available within program limits. Approval for all replacement awards is authorized by the Federal Coordinating Officer (FCO), Deputy FCO, or the Regional Director (RD). Replacement awards may be used to replace a home in its entirety or as a down payment for a replacement home. Additionally, the newly purchased home must not be placed in an SFHA.

In addition to replacement, rental assistance can be provided to applicants whose primary residences are extensively damaged and warrant review for replacement assistance as a result of the disaster. Owners must meet all other eligibility criteria.

- **FEMA's Pilot Program for Repair and Rehabilitation of Rental Housing.** The Rental Repair Pilot Program (RRPP) funds repairs to multi-family rental housing units due to disaster-related damages or deferred maintenance. In exchange, owners agree to make rental units available to FEMA disaster applicants. Full details of this program are discussed in NDHS Annex 5.

Transitional Shelters

- **FEMA's IHP Lodging Expense Reimbursement.** Through this program, eligible applicants may receive assistance for the cost of short-term lodging, such as a hotel room. This reimbursement is available while the applicant's home is either inaccessible or uninhabitable due to disaster damage. To receive reimbursement, all applicants must submit their paid hotel receipts to FEMA for the eligible dates during the assistance period.

Stafford Act, 42 USC §5174 Sec. 408— Federal Assistance to Individuals and Households

(b) Housing Assistance -

- (1) Eligibility - The President may provide financial or other assistance under this section to individuals and households to respond to the disaster-related housing needs of individuals and households who are displaced from their predisaster primary residences or whose predisaster primary residences are rendered uninhabitable, or with respect to individuals with disabilities, rendered inaccessible or uninhabitable, as a result of damage caused by a major disaster.
- (2) Determination of appropriate types of assistance –
 - (A) In general - The President shall determine appropriate types of housing assistance to be provided under this section to individuals and households described in subsection (a)(1) based on considerations of cost effectiveness, convenience to the individuals and households, and such other factors as the President may consider appropriate.
 - (B) Multiple types of assistance - One or more types of housing assistance may be made available under this section, based on the suitability and availability of the types of assistance, to meet the needs of individuals and households in the particular disaster situation.

Lodging Expense Reimbursement (LER) is available to owners and renters for up to 15 days after receiving the initial eligible housing determination. The applicant must provide verifiable receipts and their damaged property must be in a designated county. The maximum award allowed for LER is 30 days of reimbursement, unless there is written approval from the Federal Coordinating Officer (FCO) or Disaster Recovery Manager (DRM). Applicants are ineligible for LER if their primary residence is deemed safe by the inspector, even if they left during a mandatory evacuation order. Other circumstances which may result in ineligibility include if the applicant was living temporarily with family and/or friends, the LER assistance duplicates assistance provided from any other source, or the applicant is unable to provide lodging receipts.

- **FEMA's Transitional Sheltering Assistance (TSA)**. The Transitional Sheltering Assistance program provides lodging for disaster victims by paying hotels and motels directly for rooms to be used by pre-qualified individuals from designated disaster areas. As the LER program provides reimbursement for lodging expenses, TSA provides direct, temporary shelter as a result of a Federal disaster declaration and is authorized by Section 403 of the Stafford Act.

Directly Provided Interim Housing

FEMA is authorized under the Stafford Act to provide direct assistance in the form of temporary housing directly to eligible individuals and households who, because of a lack of available

resources would be unable to make use of financial assistance, particularly when rental properties are unavailable.

Stafford Act, 42 USC §5174 Sec. 408— Federal Assistance to Individuals and Households

(b) Housing Assistance

(2) Determination of appropriate types of assistance –

(A) In general - The President shall determine appropriate types of housing assistance to be provided under this section to individuals and households described in subsection (a)(1) based on considerations of cost effectiveness, convenience to the individuals and households, and such other factors as the President may consider appropriate.

(c) Types of Housing Assistance -

(1) Temporary housing –

(B) Direct assistance –

- (i) In general - The President may provide temporary housing units, acquired by purchase or lease, directly to individuals or households who, because of a lack of available housing resources, would be unable to make use of the assistance provided under subparagraph (A).
- (ii) Period of assistance - The President may not provide direct assistance under clause (i) with respect to a major disaster after the end of the 18-month period beginning on the date of the declaration of the major disaster by the President, except that the President may extend that period if the President determines that due to extraordinary circumstances an extension would be in the public interest.
- (iii) Collection of rental charges - After the end of the 18-month period referred to in clause (ii), the President may charge fair market rent for each temporary housing unit provided.

Temporary Housing Units (THUs) are used to provide safe, secure, and sanitary housing for eligible disaster victims only when all other housing resources are no longer available, or when FEMA has identified a shortfall of rental resources for eligible disaster victims. This assistance is available for up to 18 months after the declaration of a major disaster; after the initial 18 month period of assistance, FEMA may charge rent to occupants, up to the FMR, for the unit. Eligible applicants with a physical disability will receive the type of temporary housing unit appropriate for their disability and household size.

THUs may be used on private, commercial, or community sites, as defined by the Code of Federal Regulations, 44 CFR 206.111, and community sites are typically used only when private

and commercial site options have been exhausted. The Associate Administrator may authorize the development of a community site, including installation of essential utilities by the Federal Government, following a recommendation from the FEMA Regional Director. Refer to NDHS Annex 4 for full details of the community site operations process, including determining the need for community sites and identifying potential sites, as well as constructing, populating, maintaining, depopulating, and deactivating community sites. All site types must meet the physical accessibility requirements for individuals with disabilities, and all are provided by the State or local government, by the owner of the site, or by the individual applicant who will occupy the unit.

After the determination is made to use these types of housing, eligible applicants will be contacted to identify need and feasibility. Potential private sites are first assessed, and then commercial sites, if private sites are unavailable or infeasible. Community site placement is the last option for consideration. Units are transported to the site, installed and connected to utilities, and then declared ready for occupancy (RFO). Eligible applicants are then able to move into a unit.

At the end of the housing mission, units are cleaned and made ready for future use, donated, or sold to the occupant to provide permanent housing for displaced applicants. Units shall be sold at prices that are fair and equitable to the purchaser and to the government. Additionally, the applicant must demonstrate ability to maintain the THU. The unit may not be placed in a designated SFHA unless the community in which the unit is to be located after the sale is, at the time of approval, participating in the NFIP. The purchaser must agree to buy and maintain an adequate flood insurance policy, which covers the basic sales price of the unit for as long as the purchaser owns it. The THU purchaser must show proof of the initial flood insurance policy.

Permanent Housing Programs

The intent of permanent housing programs is to facilitate and assist the disaster victims to achieve long term, sustainable housing near employment, schools, and essential and social services. Permanent housing is generally managed by Federal agencies such as HUD and HHS, as well as NGOs, including both private sector initiatives and non-profit organizations. The overall permanent housing strategy for a specific area affected by a disaster is organized and implemented by State and local officials through a State-led Joint Housing Solutions Task Force. However, when a catastrophic event occurs, the Federal Government may play a leading role in coordinating permanent housing solutions. Refer to the *Strategy* Chapter 3, page 58 – 73 and Annex #2. Examples of permanent housing programs include the full repair of single family homes, full home replacement, charitable housing, manufactured housing, full repair of rental housing, and permanent residential construction. These forms of assistance are more sustainable and robust than FEMA's IHP Home Repair and Replacement temporary housing solutions.

- **IHP Permanent/Semi-Permanent Construction.** Direct assistance or money for the construction of a home can be provided, as authorized under the Stafford Act, Section 408, in locations specified by FEMA where no other type of housing assistance is possible.

Stafford Act, 42 USC §5174 Sec. 408— Federal Assistance to Individuals and Households

(c) Types of Housing Assistance -

- (4) Permanent or semi-permanent housing construction - The President may provide financial assistance or direct assistance to individuals or households to construct permanent or semi-permanent housing in insular areas outside the continental United States and in other locations in cases in which
 - (A) No alternative housing resources are available; and
 - (B) The types of temporary housing assistance described in paragraph (1) are unavailable, infeasible, or not cost-effective.

Construction follows minimal local building codes and standards where they exist, or minimal acceptable construction industry standards in the area. Construction plans take the needs of the occupant into consideration and units constructed are generally of the average quality, size, and capacity for the surrounding area. If the home is located in an SFHA, the homeowner must comply with flood insurance purchase requirements as well as local flood codes and regulations.

Mitigation of At-Risk Housing and Other Structures

In addition to providing sheltering, interim and permanent housing to individuals and households, the Stafford Act also provides authorization for programs that take sustained action to reduce or eliminate long-term risk to life and property from a hazard event.

Property acquisition is the most permanent form of hazard mitigation. Many communities and homeowners have taken this action and have rebuilt their homes and lives in safer places. Since 1993, participating communities have purchased thousands of properties as part of these programs. Refer to Annex 1 of the *Strategy* for full details of all mitigation programs.

- **FEMA's Hazard Mitigation Grant Program.** FEMA's Hazard Mitigation Grant Program (HMGP) takes a percentage of the Federal money spent on recovering from a disaster and uses it for projects to reduce future risk. By law, FEMA can contribute 15 to 20 percent of their cost for the disaster to this grant program, which is administered by the State and local communities. FEMA funds up to 75 percent of the total cost. The community purchases private property, acquires title to it, and then clears it by either relocating the structures to a new non-hazard prone location or demolishing them. Communities have the option of offering the current market value or up to the pre-event market value of the structure to homeowners who voluntarily agree to participate. By law, once acquired, the land must forever remain as open space land. The community can use it to create public parks, wildlife refuges, etc. but can neither develop the land nor sell it to private individuals.

Acquisition projects are strictly voluntary. Individual homeowners apply directly to the community and not to the State. Money is limited and, in most cases, the amount of funds set aside for mitigation cannot meet all the mitigation needs following a disaster. States prioritize mitigation programs with input from local communities. FEMA reviews the applications to ensure that they follow the program rules, are environmentally sound, and are a cost-effective use of the assistance.

- **Cora C. Brown Fund**. The Cora Brown Fund is made possible by a bequest from the late Cora C. Brown of Kansas City, Missouri, who left a portion of her estate to the United States for the purpose of helping victims of natural disasters not caused by or attributed to war. This assistance provides for disaster related needs that have not or will not be met by governmental agencies or any other organization which has programs to address such needs.
- **National Flood Insurance Program (NFIP)**. The Mitigation Directorate, a component of FEMA, manages the NFIP. The NFIP makes available federally backed flood insurance to homeowners, renters, and business owners. Community participation in the NFIP is voluntary, and nearly 20,000 communities across the United States and its territories participate in the NFIP by adopting and enforcing floodplain management ordinances to reduce possible future flood damage.

Flood insurance is designed to provide an alternative to disaster assistance to reduce the escalating costs of repairing damage to buildings and their contents caused by floods. Flood damage is reduced by nearly \$1 billion a year through communities implementing sound floodplain management requirements and property owners purchasing flood insurance. Additionally, buildings constructed in compliance with NFIP building standards suffer approximately 80 percent less damage annually than those not in compliance.

Application Procedures for FEMA Housing Assistance

FEMA Individual Assistance provides all types of appropriate Federal assistance to all victims of Presidentially declared disasters resulting from all hazards. The FEMA Individual Assistance (IA) Division assists persons who have serious and necessary needs resulting from a major disaster. Applicant registrations are taken and inspections are completed by FEMA or FEMA contractors, and incoming and outgoing communication with applicants is conducted through centralized FEMA locations, the National Processing Service Centers (NPSC).

Initial Application

The standard FEMA application period begins the date the President declares an emergency or major disaster and continues for 60 days. FEMA offers two primary methods to apply for FEMA disaster assistance; the individual or household may apply by telephone or apply online through the Individual Assistance Center (IAC) at www.fema.gov. Each disaster requires a separate registration. However, only one registration is required per applicant for both home and business losses.

The data elements that the applicant provides are the same regardless if they register by telephone or online. These data elements include personal identification and household information, description of the losses caused by the disaster, insurance information, and identification of emergency needs. The National Emergency Management Information System (NEMIS) is used to securely store and process applications for disaster assistance. After registering, the applicant will be provided with a registration identification number and directions to create an online account which can be used to check the status of their registration.

For applicants with property damage who do not have insurance, an inspector will make contact within 10 days after the application is submitted to schedule an inspection time. However, in areas where access is still severely limited, it may take longer for an inspection to take place.

Applicants who have insurance must submit their insurance claim first and provide FEMA with a decision letter (settlement or denial) from their insurance company before a FEMA inspection will take place, except in cases of flooding damage. On average, 10 days after the inspection, FEMA will decide if the applicant qualifies for assistance and will inform the applicant of the determination.

Appeals

An appeal to a FEMA decision may result from dissatisfaction with assistance benefits that have been provided, either limited by standard limitations or an inability to meet criteria for eligibility. All applicants may request reconsideration of the FEMA decision for assistance benefits received under Stafford Act programs. Appeal requests must be received by FEMA within 60 calendar days from the date the decision letter is mailed to the applicant or, for insurance specific concerns, 12 months from the date of registration. Specific processes and methods for appealing are made available under Stafford Act Section 423 and communicated to the applicant.

To appeal, applicants should provide additional evidence to support their claim, which may include a description of previously unidentified damages, photographs of disaster-related damages, estimates, or receipts to better explain the applicant's situation and concerns. Applicant appeals are reviewed by the specialized Appeals Group in the Texas NPSC, who will work with each applicant to resolve their concerns and explain their final determination.

Registration Controls

NEMIS provides registration controls for FEMA disaster assistance, which allow the Disaster Recovery Managers to institute an early registration period or accept late applications.

- **Early Registrations.** If a Presidential Disaster Declaration has not occurred but appears imminent, an Early Registration period may be activated. The registrations are submitted by potential disaster victims in the same manner as traditional registrations and are stored until the disaster is officially declared. If the registration meets the criteria for a disaster that is declared subsequently, the early application will be processed.
- **Late Applications.** The FEMA Regional Administrator may extend the application period when it is anticipated that more time is needed to collect applications from the affected

population or to establish the same application deadline for contiguous counties or States. After the application period has ended, FEMA will accept and process applications for an additional 60 days only from persons who can provide an acceptable explanation, with substantiating documentation, for not contacting FEMA before the application period ended. Accepted reasons for late applications include record of hospitalization, illness, handicap, or death of immediate family members; proof of personal or business travel keeping the applicant out of the area for the full application period; proof that an insurance claim filed during the application period has been denied; and proof that insurance benefits for ALE were used appropriately during the application period but have been exhausted. Not knowing about the disaster declaration and/or not knowing about the application deadline are not considered to be justifiable reasons for submitting a late application.

- **Applicant Verification.** A key focus of disaster assistance processing is ensuring the validity of applications. In support of this, a variety of automatic enhancements and specifications to NEMIS have been developed to verify each applicant's identity and confirm that they have not already received assistance.

Referrals

In addition to disaster housing assistance funds available through FEMA's Individuals and Households Program, applicants are also referred to other government agencies or NGOs to provide specific types of assistance.

- **Small Business Administration (SBA).** The SBA provides low interest disaster loans to homeowners, renters, and businesses of all sizes as well as private and non-profit organizations to repair or replace real estate, personal property, machinery and equipment, inventory, and business assets that have been damaged or destroyed in a declared disaster. FEMA refers applicants who meet a minimum income requirement to SBA. These applicants are then eligible to apply for a home or business disaster loan, which is limited to \$200,000, for primary residences and \$2 million for businesses to repair or replace disaster related damages to real estate or personal property. Loan amounts may be increased by up to 20% of the verified loss for devices which may prevent the same type of damage to real property. SBA determines the term of each loan in accordance with the borrower's ability to repay and determines the appropriate installment payments based on the financial circumstances of each borrower.
- **Other Referrals.** Based on stated needs and specific situations, applicants may be referred to other organizations for additional assistance. Referrals to appropriate resources are an important component of disaster housing programs under the Stafford Act, and State governments, often through coordination with local governments, are responsible for providing accurate and pertinent referral information.

Disaster Assistance Improvement Plan

On August 29, 2006, the President issued the *Executive Order: Improving Assistance for Disaster Victims*, directing the Secretary of Homeland Security to lead an interagency task force with the mission of improving the promptness and efficiency with which disaster victims obtain access to eligible Federal disaster assistance. The Executive Order required the Task Force to develop

and, by March 1, 2007, deliver a Disaster Assistance Improvement Plan (DAIP) outlining a coordinated, actionable strategy to implement a single, consolidated system that will get Federal assistance to disaster victims more quickly and efficiently. This solution became available December 31, 2008 for disaster assistance programs administered at the Federal level. Full implementation, to include all disaster assistance programs at all levels of State, local and non-government agencies, will occur by 2014.

After a disaster, individuals will register at the DisasterAssistance.gov online portal. This provides access to all disaster assistance programs from multiple Federal, State, local and non-governmental participating agencies as well as program and contact information for pertinent non-Federal programs. The portal will significantly reduce delays and ease the burden of disaster victims while maximizing the assistance delivered by providing them with more targeted and effective assistance and consolidating federally funded forms of assistance information, application intake, and status information into a unified system.

References

Additional documents and sources were used to develop this Annex and can provide further information on the topics discussed herein.

- **Coastal Barrier Resources Act (CBRA) of 1982 (Public Law 97-348)**
- **National Flood Protection Act of 1968**
- **The Flood Disaster Protection Act of 1973 (Public Law 93-234)**
- **The National Flood Insurance Reform Act (NFIRA) of 1994 (Public Law 103-325). The application of the NFIRA to the IHP is described in 44 CFR §206.110.**
- **The Coastal Barrier Improvement Act of 1990**
- **The Code of Federal Regulations, 44 CFR 206.110-117**
- **Executive Orders 11988 (Floodplain Management) and 11990 (Protection of the Wetlands), issued in 1977**
- **National Environmental Policy Act of 1969 (Public Law 91-190)**
- **Executive Order 12898 (Environmental Justice), issued in 1994**