

Disaster Assistance Partners

IA ESF#6 Conference 2010

San Diego, California



FEMA

Disaster Assistance Partners

Stafford Act authorities to coordinate assistance activities:

- In accordance with Section (309) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), 42 U.S.C. 5152, the President may utilize and enter into agreements with disaster assistance organizations.
- In accordance with Section (402) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), 42 U.S.C 5170, the President may direct any Federal agency in support of state response and recovery efforts.



FEMA

Disaster Assistance Partners

- Stafford Act declaration, FEMA coordinates the response and recovery activities
 - FEMA programs
 - OFA's and non-government entities can offer assistance
- Disaster assistance may be available without a Stafford Act declaration
- Assistance from FEMA partners for non-Stafford Act disasters



FEMA

Disaster Assistance Partners

NEMIS-Disaster Assistance Improvement Program (DAIP)

- Department of Agriculture
- Department of Commerce
- Department of Defense
- Department of Education
- Department of Health and Human Services
- Department of Homeland Security
- Department of Justice
- Department of Labor
- Department of Interior
- Department of State
- Department of Transportation
- Department of Treasury
- Department of Veteran Affairs
- Housing and Urban Development
- Office of Personnel Management
- Small Business Administration
- Social Security Administration



FEMA

Disaster Assistance Partners

Internal Revenue Service – Michael Birdsong

Small Business Administration – Kathy Cook

Department of Agriculture – Jerry Epting

Operation Hope, Inc. – Fred Smith



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Business Revitalization, Economic Recovery and Related Financial and Risk Assurance Issues

When a Disaster Strikes, IRS Can Help!



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Program Purpose

- Provide administrative tax relief
- Provide advice to taxpayers and tax practitioners affected by presidentially-declared disaster or emergency
- Help taxpayers meet federal tax obligations without being penalized



FEMA



Tax Relief That Helps Businesses

- Postpone filing deadlines
- Postpone payment deadlines
- Postpone deadlines for the performance of certain time sensitive federal tax actions
- Waive certain penalties



FEMA



Tax Relief That Helps Businesses

- Expedite processing of requests for tax return and account transcripts
- Relax rules relating to certain regulatory certifications
- Suspend certain compliance activities



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Special Authority

- President invokes *Robert T. Stafford Disaster Relief and Emergency Assistance Act*
- IRS has authority to:
 - waive interest
 - suspend filing and payment due dates for up to one year



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Special Tax Rules

- Stafford Act invoked
 - taxpayers in designated area can claim disaster losses in prior tax year for quicker refunds
 - special tax laws allow for greater deductibility



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Program Services

- Expedite tax information for benefit determinations by:
 - Small Business Administration
 - Department of Labor
- Record Reconstruction



FEMA



Help for Small Business Owners

- Workshops
- Webinars
- Phone Forums



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Contact: Mike Birdsong, IRS, Disaster Relief Coordinator;
405-297-4014; michael.b.birdsong@irs.gov



FEMA



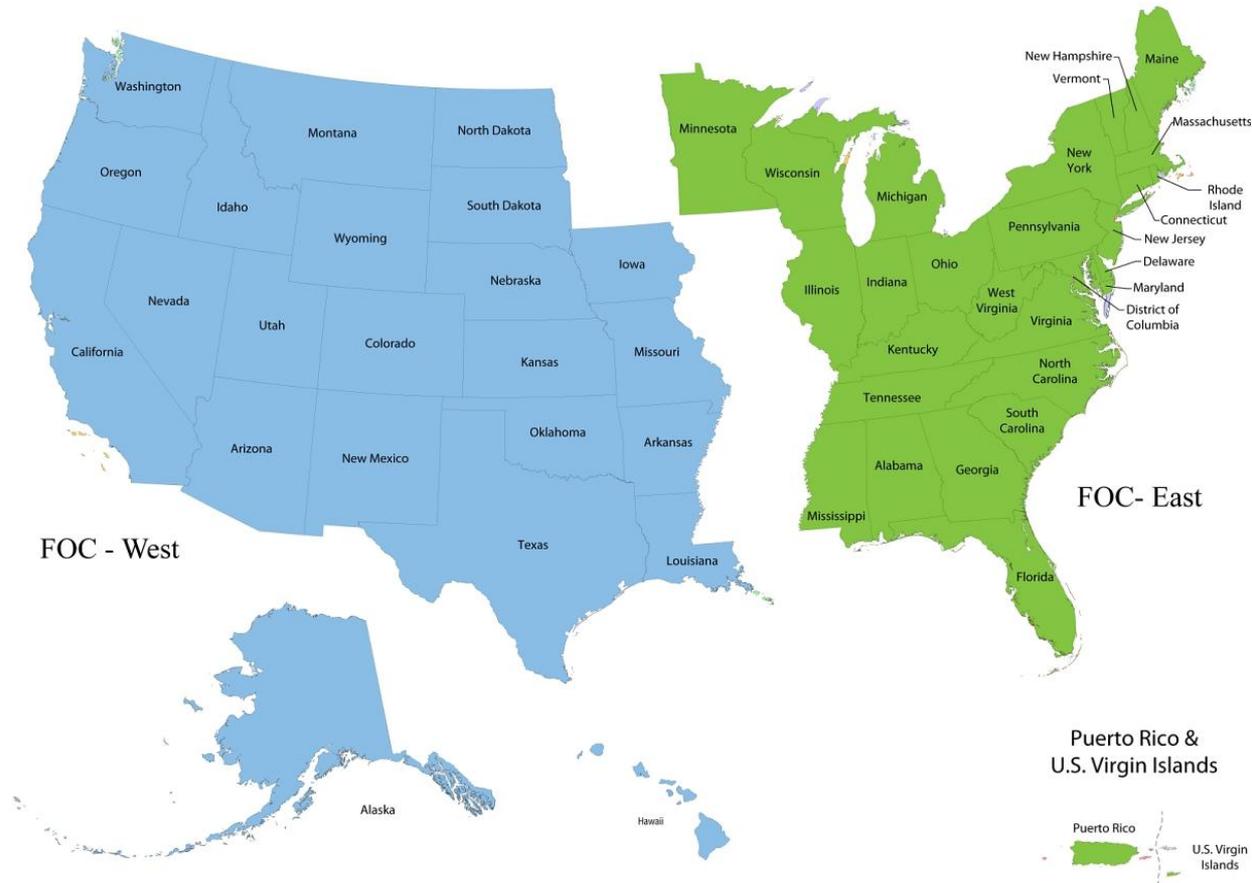




HOPE Coalition America free financial services include:

- Disaster Recovery Budget
- Credit and Debt Counseling
- Paying a Mortgage on a Destroyed Home
- Home Inspections and Repair Contracts
- Assistance with Working with Your Creditors
- Referrals to Government and Private Agencies
- Assistance with Obtaining Copies of Destroyed Financial Documents
- Insurance Claims Assistance
- Recovery Seminars and Case Management

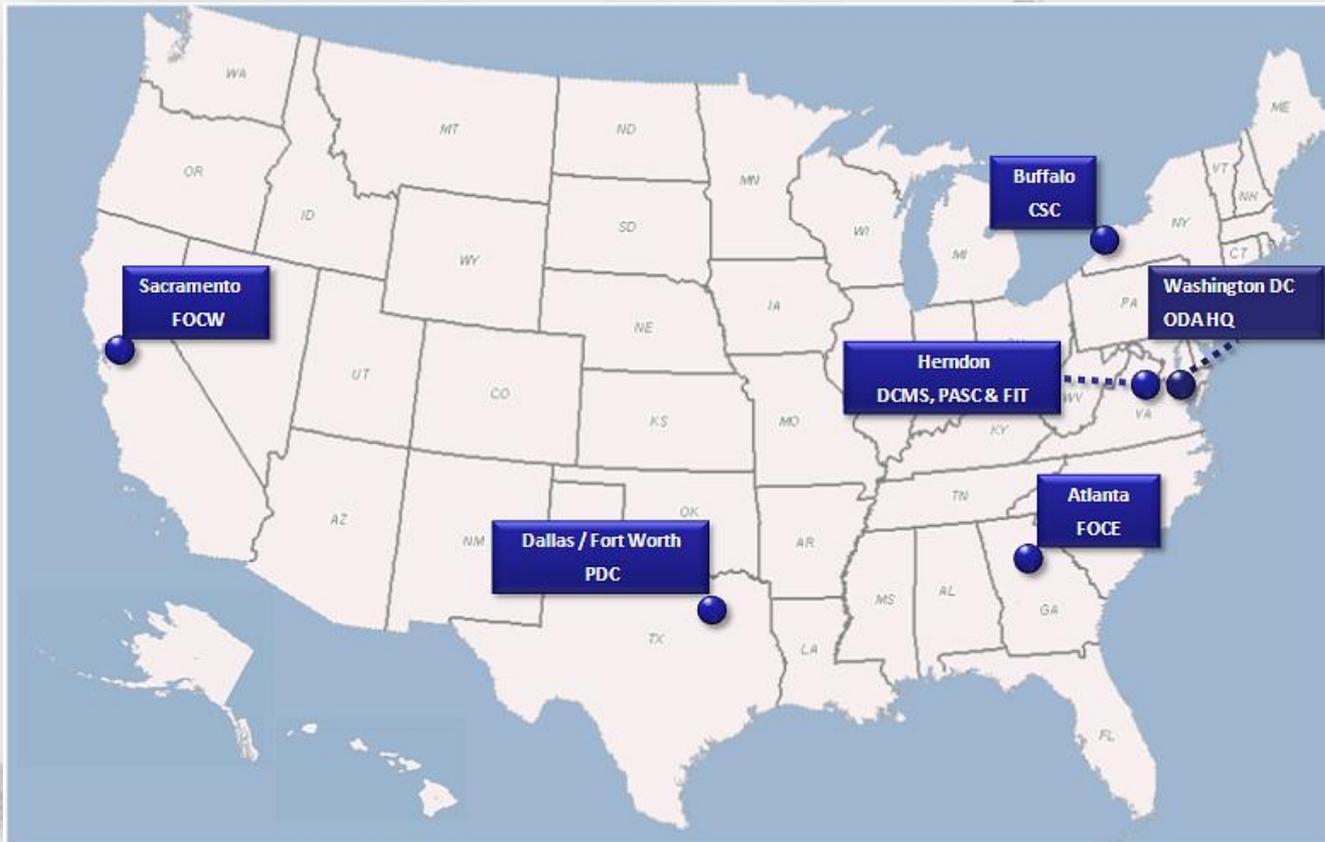
U.S. Small Business Administration Office of Disaster Assistance



Pathways to Disaster Recovery
April 27 – 30, 2010
San Diego, CA

Office of Disaster Assistance Field Locations

The disaster loan program is administered through a coordinated effort among ODA's headquarters and functional centers: Customer Service Center (CSC), East and West Field Operations Centers (FOCs), Processing and Disbursement Center (PDC) and the Field Inspection Team (FIT), and its support centers: Disaster Credit Management System (DCMS) Operations Center and the Personnel and Administrative Support Center (PASC).



What is SBA's Role in a Disaster?



Don't let the word "business" in our name mislead you.

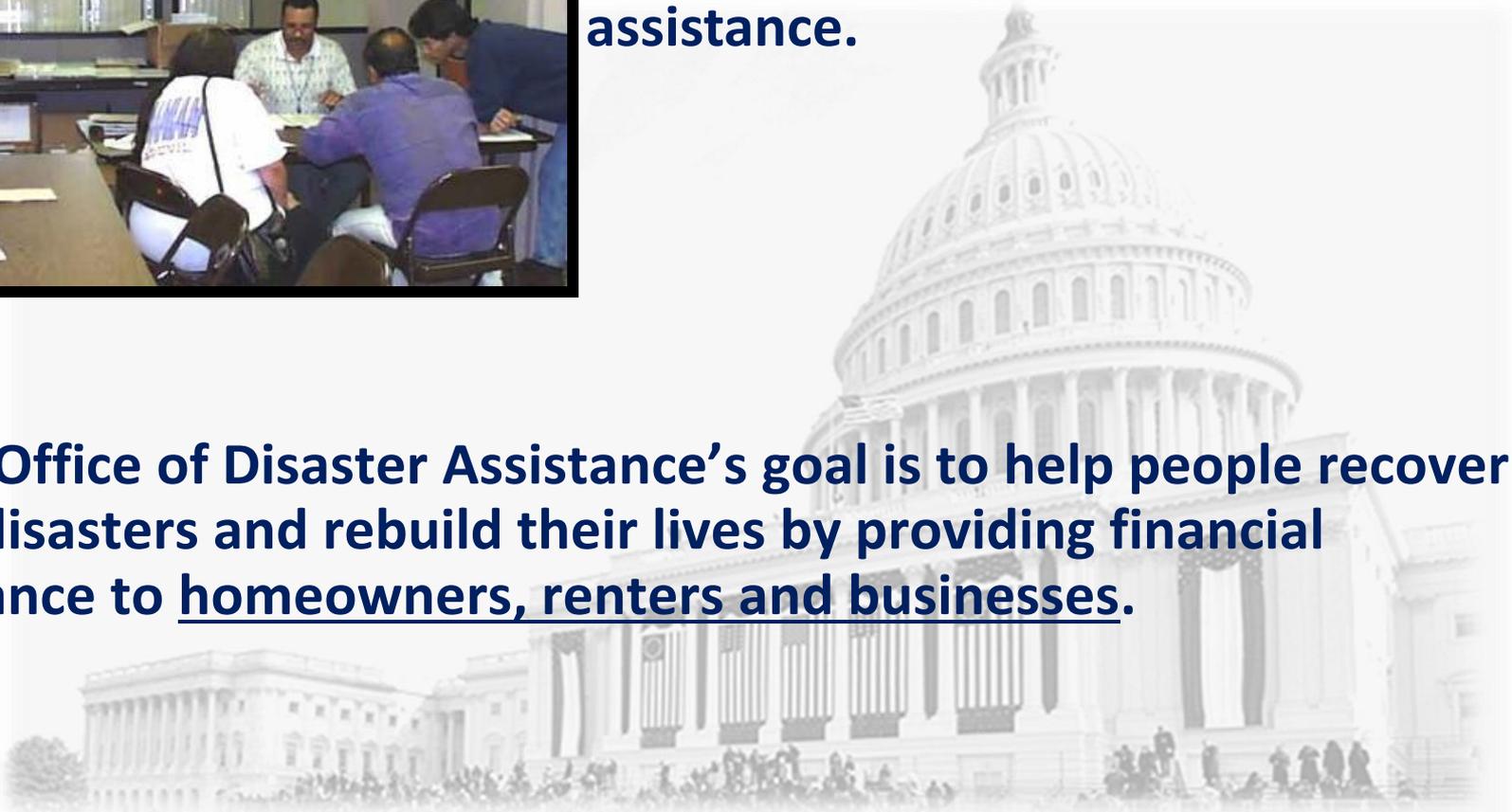


Disaster Loans For Long Term Recovery



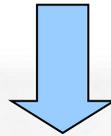
The U.S. Small Business Administration (SBA) is the primary source of Federal funds for long term recovery assistance.

SBA's Office of Disaster Assistance's goal is to help people recover from disasters and rebuild their lives by providing financial assistance to homeowners, renters and businesses.

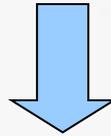


SBA Declaration Process

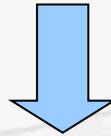
Governor contacts SBA Field Operation Center (FOC) to Request Disaster Damage Survey



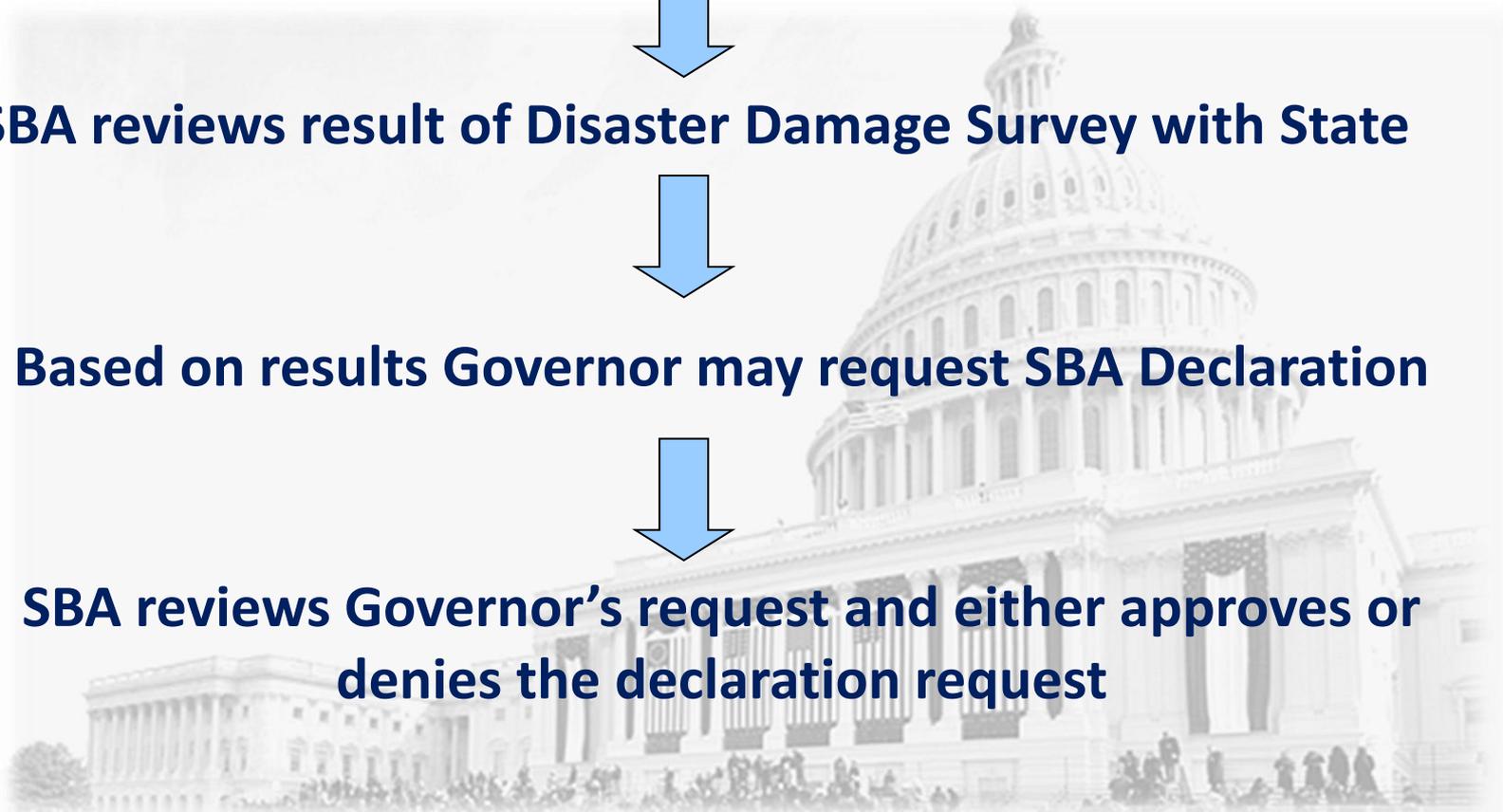
SBA reviews result of Disaster Damage Survey with State



Based on results Governor may request SBA Declaration



SBA reviews Governor's request and either approves or denies the declaration request



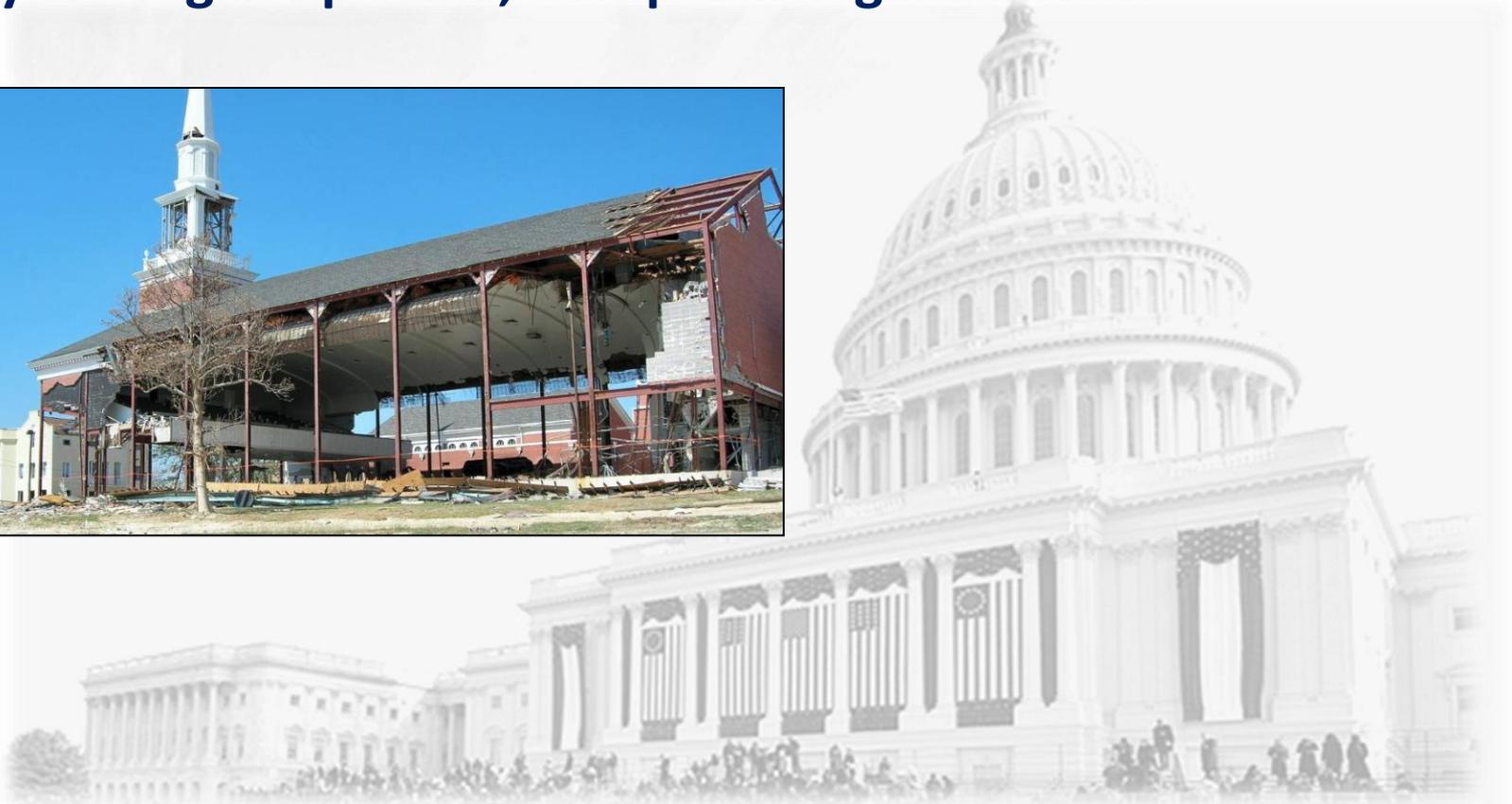
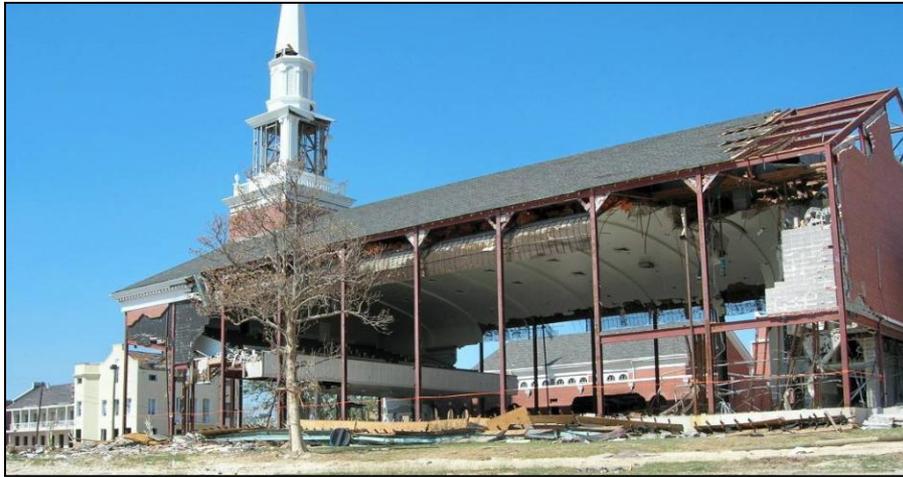
- **Presidential - Individual Assistance / Public Assistance**
- **Administrative (Agency)**
- **Governor's Certification**
- **Secretary of Agriculture**
- **Secretary of Commerce**
- **Military Reservists**



- If the President declares a major disaster declaration for Individual Assistance, SBA's disaster loan program is automatically activated.
- Homeowners, renters and businesses of all sizes including private, non-profit organizations are eligible to apply for their uncompensated physical losses.
- Small businesses, small cooperatives and most private non-profits of any size, can apply for working capital loans to cover their economic injury losses.



If the President declares a major disaster declaration for Public Assistance, SBA's disaster loan program is activated only for eligible private, non-profit organizations.



Administrative (Agency) Declarations

When the PDA indicates damages are insufficient for a Presidential declaration, the Governor can request an Administrative (Agency) declaration through the SBA Administrator.

One way to qualify is when:

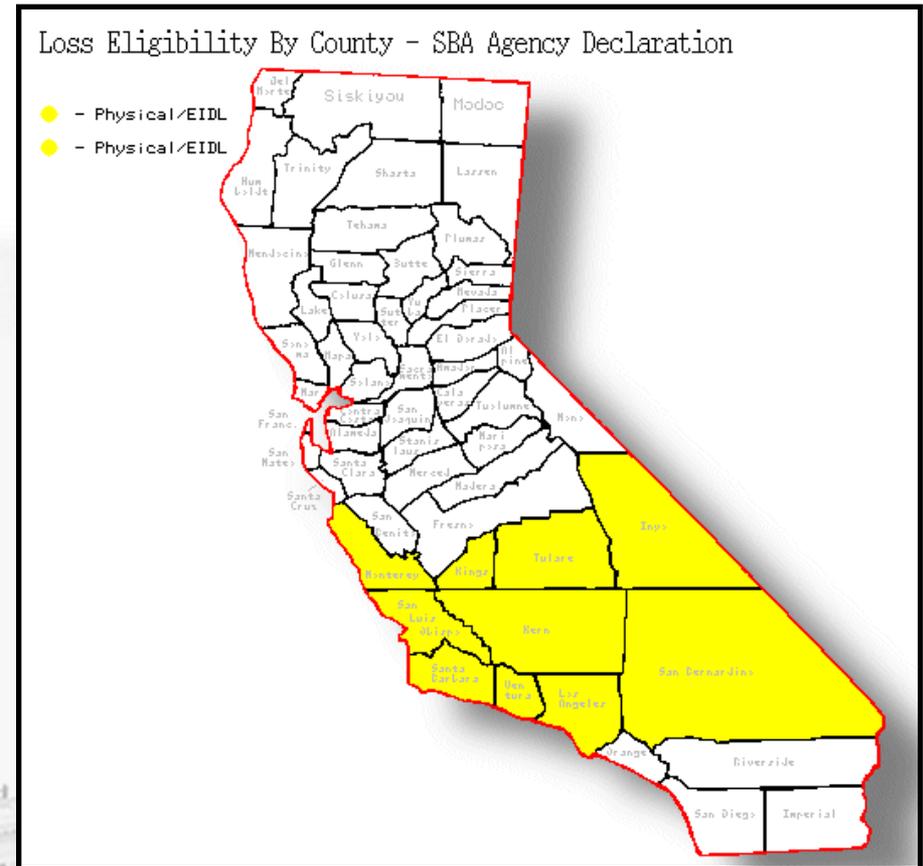
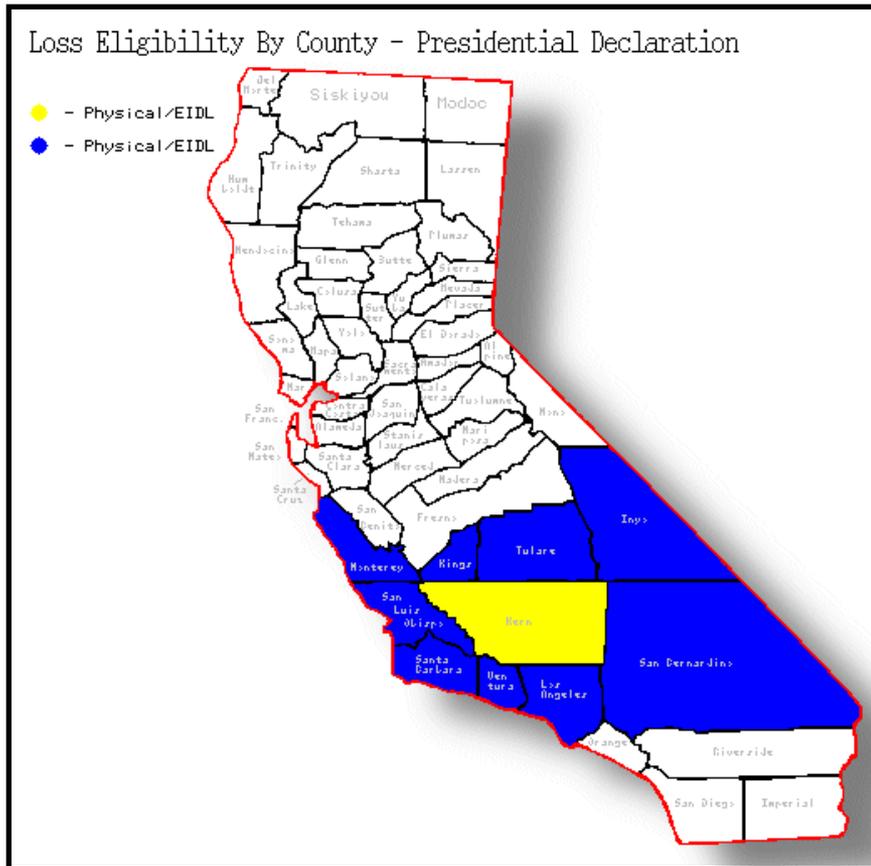
At least 25 homes and/or businesses in a county have uninsured losses of 40% or more of their estimated fair market value



SBA Administrator
Karen G. Mills



The declared disaster area and eligibility is different.



Presidential Declarations

SBA Administrative (Agency) Declarations

Governor's Certification

If a Governor certifies that at least five (5) small businesses in a disaster area have suffered substantial economic injury as a result of the disaster, and need financial assistance not available on reasonable terms, SBA activates its Economic Injury Disaster Loan (EIDL) program only.

Note: Physical Disaster Loans are not available under this type of declaration



This declaration is for Economic Injury Disaster Loans (EIDL) only. The filing deadline is 9 months from the date of the declaration.

If the Secretary of Agriculture designates an area an agricultural disaster, SBA automatically activates its Economic Injury Disaster Loan (EIDL) program.

Loans are made available to eligible small businesses, small agricultural cooperative, or private non-profits organizations that have suffered substantial economic injury as a result of the declared disaster.



Secretary of Agriculture
Tom Vilsack

This declaration is for Economic Injury Disaster Loans (EIDL) only. The filing deadline is 8 months from the date of the declaration.

If the Secretary of Commerce declares a fishery resource disaster under Sec. 308 (b) of the Interjurisdictional Fisheries Act 516 USC 4107 (b) 7, SBA can activate its Economic Injury Disaster Loan (EIDL).

Loans are made available to eligible small businesses, small agricultural cooperatives, or private non-profits organizations that have suffered substantial economic injury as a result of the declared disaster.



Secretary of Commerce
Gary Locke

This declaration is for Economic Injury Disaster Loans (EIDL) only. The filing deadline is 9 months from the date of the declaration.

Military Reservists Economic Injury Disaster Loans (MREIDL)

Eligible small businesses that are not able to meet their ordinary and necessary operating expenses because an “essential employee” is called up to active duty in their role as a military reservist can apply for an SBA Military Reservist Economic Injury Disaster Loan.



The filing period begins the date the essential employee receives a notice of expected call-up and ends 1 year after the date the essential employee is discharged or released from active duty.

Overview of SBA Declarations

SBA DECLARATIONS AT-A-GLANCE (Declaration approvals are not official until they are in writing)						
	Presidential Individual Assistance (IA)	Presidential Public Assistance (PA) –SBA PNP	Administrative (Agency)	Governor’s Certification (Governor’s Cert)	Secretary of Agriculture (Sec-Ag)	Secretary of Commerce
How this type of declaration is obtained.	Governor makes request to FEMA for Presidential declaration. FEMA notifies SBA that declaration is approved.	Governor makes request to FEMA for Presidential declaration. FEMA notifies SBA that declaration is approved.	Governor must make written request to SBA with supporting SBA PDA information.	Governor must make written request to SBA with supporting economic injury loss information.	The Governor makes request to Secretary of Agriculture and USDA notifies SBA of a disaster declaration.	Secretary of Commerce declares a fishery resource disaster under 308 (b) of Interjurisdictional Fisheries Act of 1986, as amended.
General criteria for an SBA declaration is:	Automatic once we get written notification of FEMA declaration.	Automatic once we get written notification of FEMA declaration.	The PDA must show that at least 25 homes, businesses, or other eligible institutions, sustained uninsured losses of 40 percent or more.	The Governor certifies that at least five small businesses in a disaster area have suffered substantial economic injury as a result of the disaster.	Automatic once we get written notification of Sec-Ag declaration.	Automatic once we get written notification of Sec. of Commerce 308 (b) declaration.
Request to SBA must be made:	N/A –see above.	N/A-see above.	Within 60 days of the date of the disaster.	Within 120 days of the disaster occurrence.	See above.	See above.
Normal deadline to apply for loan:	60 days from declaration for physical loans, 9 months for EIDL.	60 days from declaration for physical loans 9 months for EIDL.	60 days from SBA declaration for physical loans, 9 months for EIDL.	9 months from the date of SBA declaration.	8 months from declaration. Deadline set by Agriculture-SBA uses same date.	9 months from declaration. Deadline set by Commerce-SBA uses same date.
Eligible for physical damages?	Yes- for homeowners, renters, businesses of all sizes and non-profit organizations only in the primary counties.	Yes - for private non-profit organizations (non-critical). Those defined as critical apply with FEMA.	Yes – for homeowners, renters, businesses of all sizes and non-profit organizations in all declared counties.	No.	No.	No.
Counties included for physical damage:	Primary counties only.	Primary counties only.	Primary and contiguous counties.	N/A	N/A	N/A
Eligible for economic injury?	Yes for small businesses, small agricultural cooperatives and most private non-profit organizations in the primary and contiguous counties.	Yes for private non-profit organizations that provide non-critical services, food kitchens, museums, colleges, shelters, etc.	Yes for small businesses, small agricultural cooperatives and most private non-profit organizations.	Yes for small businesses, small agricultural cooperatives and most private non-profit organizations.	Yes for small businesses, small agricultural cooperatives and most private non-profit organizations.	Yes for small businesses, small agricultural cooperatives and most private non-profit organizations.
Counties included for EIDL:	Primary and contiguous counties.	Primary counties only.	Primary and contiguous counties.	Primary and contiguous counties.	Primary and contiguous counties named in Sec. of Ag declaration.	Primary and contiguous counties.
Initial press release is:	Issued by FEMA.	Issued by FEMA.	Issued by SBA.	Issued by SBA.	Issued by SBA.	Issued by SBA.

Facts About Disaster Home Loans

Borrower	Purpose	Max Amt	Interest Rate
Homeowner	Repair or replace real property	\$200,000	Low rate not to exceed 4%* Market rate not to exceed 8%
Homeowner or Renter	Repair or replace personal property including vehicles	\$40,000	Low rate not to exceed 4%* Market rate not to exceed 8%
Homeowner	Mitigate / prevent future loss to real property	20% of verified loss amount	Low rate not to exceed 4%* Market rate not to exceed 8%

*The interest rate is determined as a result of financial analysis performed by the loan officer. The interest rates are fixed.



Facts About Disaster Business Physical Loans

Borrower	Purpose	Max Amt	Interest Rate
Businesses of any size including Private Non-Profit Organizations	Repair or replace real estate, equipment, furniture, inventory, etc. (for physical losses)	\$2 million	Low rate not to exceed 4%* Market rate not to exceed 8%
Businesses of any size including Private Non-Profit Organizations	Mitigate / prevent future loss to real property	20% of verified loss amount, subject to the \$2 million limit	Low rate not to exceed 4%* Market rate not to exceed 8%

*The interest rate is determined by a process of financial analysis performed by the loan officer. The interest rates are fixed.

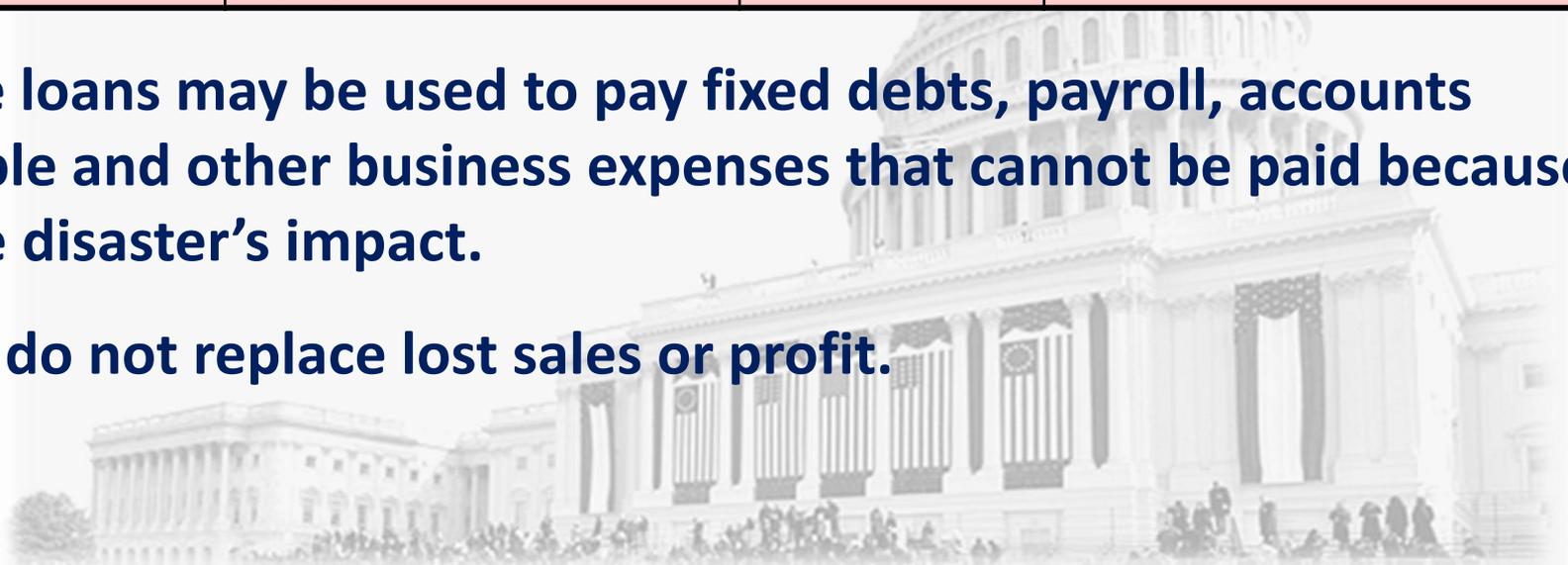


Facts About Economic Injury Disaster Loans (EIDLs)

Borrower	Purpose	Max Amt	Interest Rate
Small Businesses, Small Agricultural Cooperatives and most Private, Non-Profit Organizations	To meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. (For working capital to alleviate economic injury)	\$2 million	The rate is set at 4 % for qualified applicants.

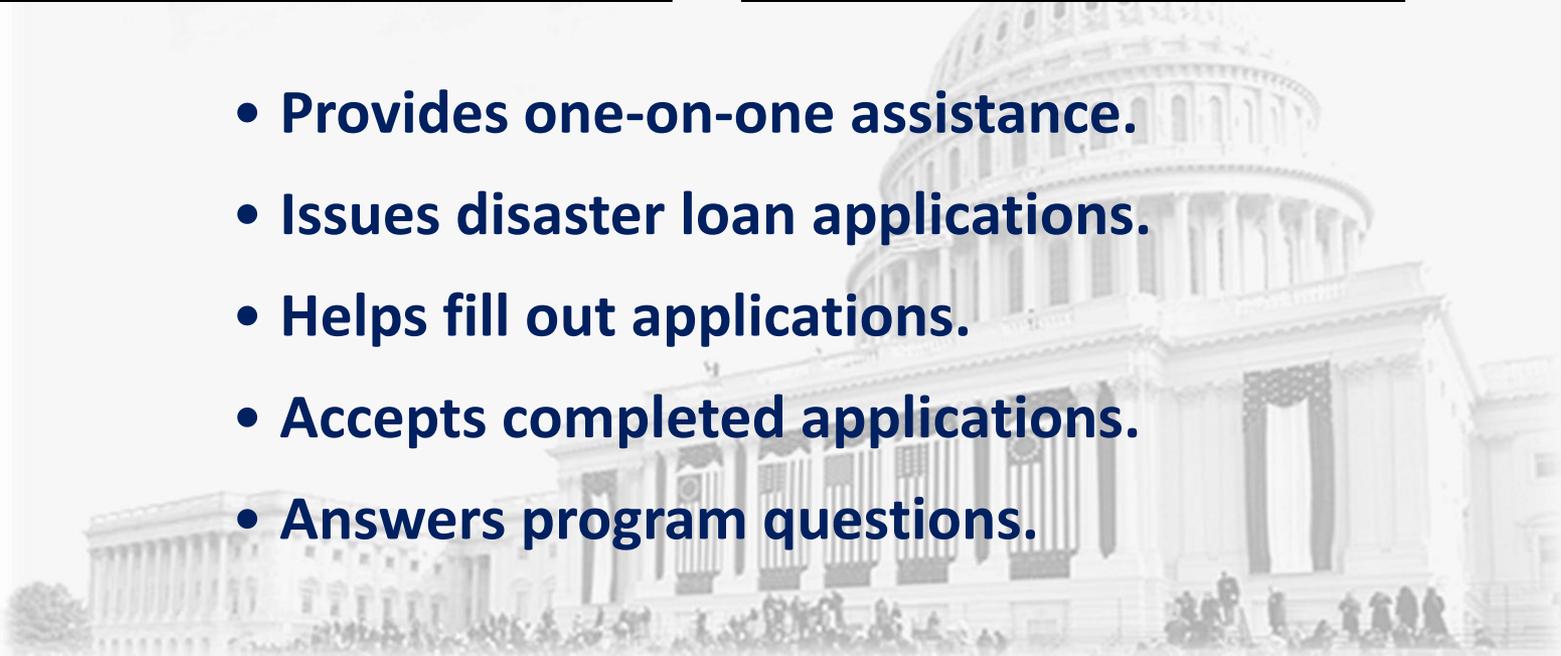
These loans may be used to pay fixed debts, payroll, accounts payable and other business expenses that cannot be paid because of the disaster's impact.

EIDLs do not replace lost sales or profit.





- Provides one-on-one assistance.
- Issues disaster loan applications.
- Helps fill out applications.
- Accepts completed applications.
- Answers program questions.

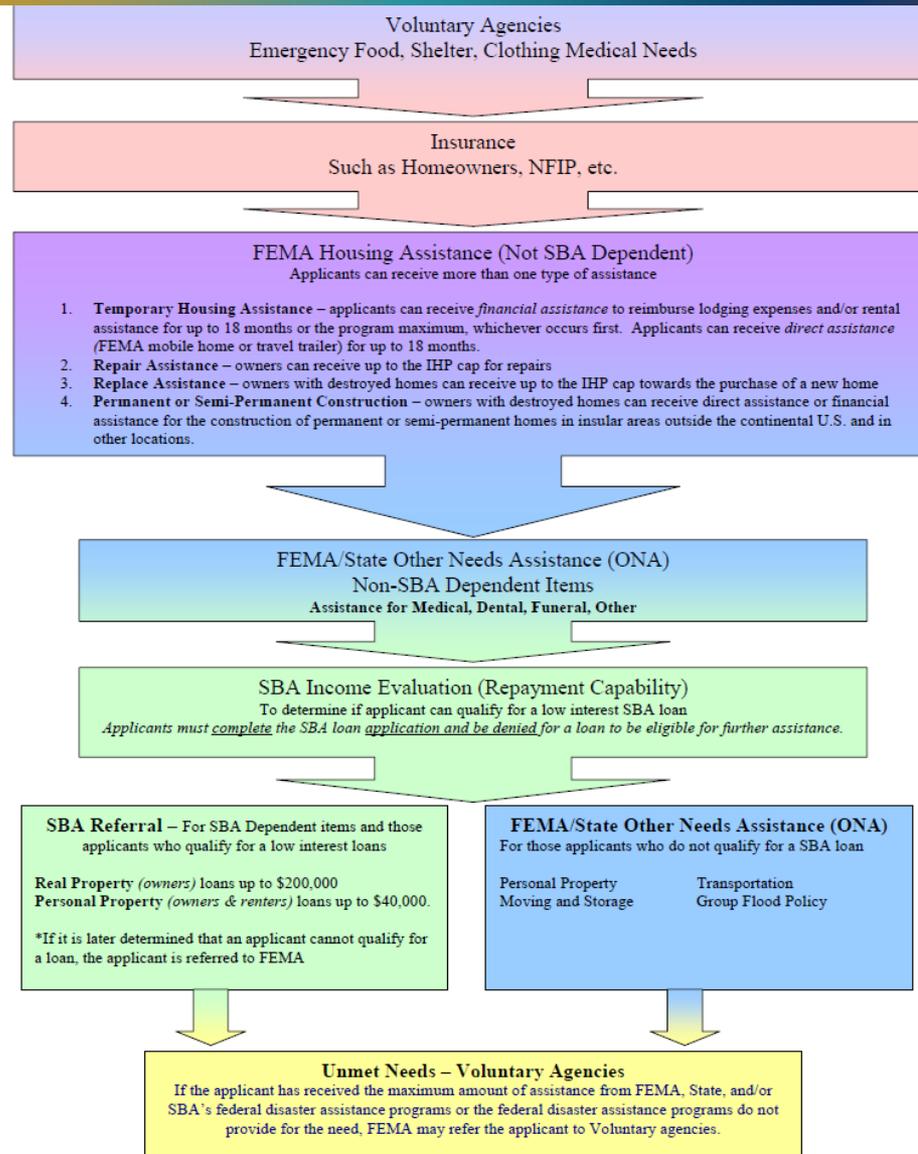


DRCs vs. Disaster Loan Outreach Centers (DLOCs)



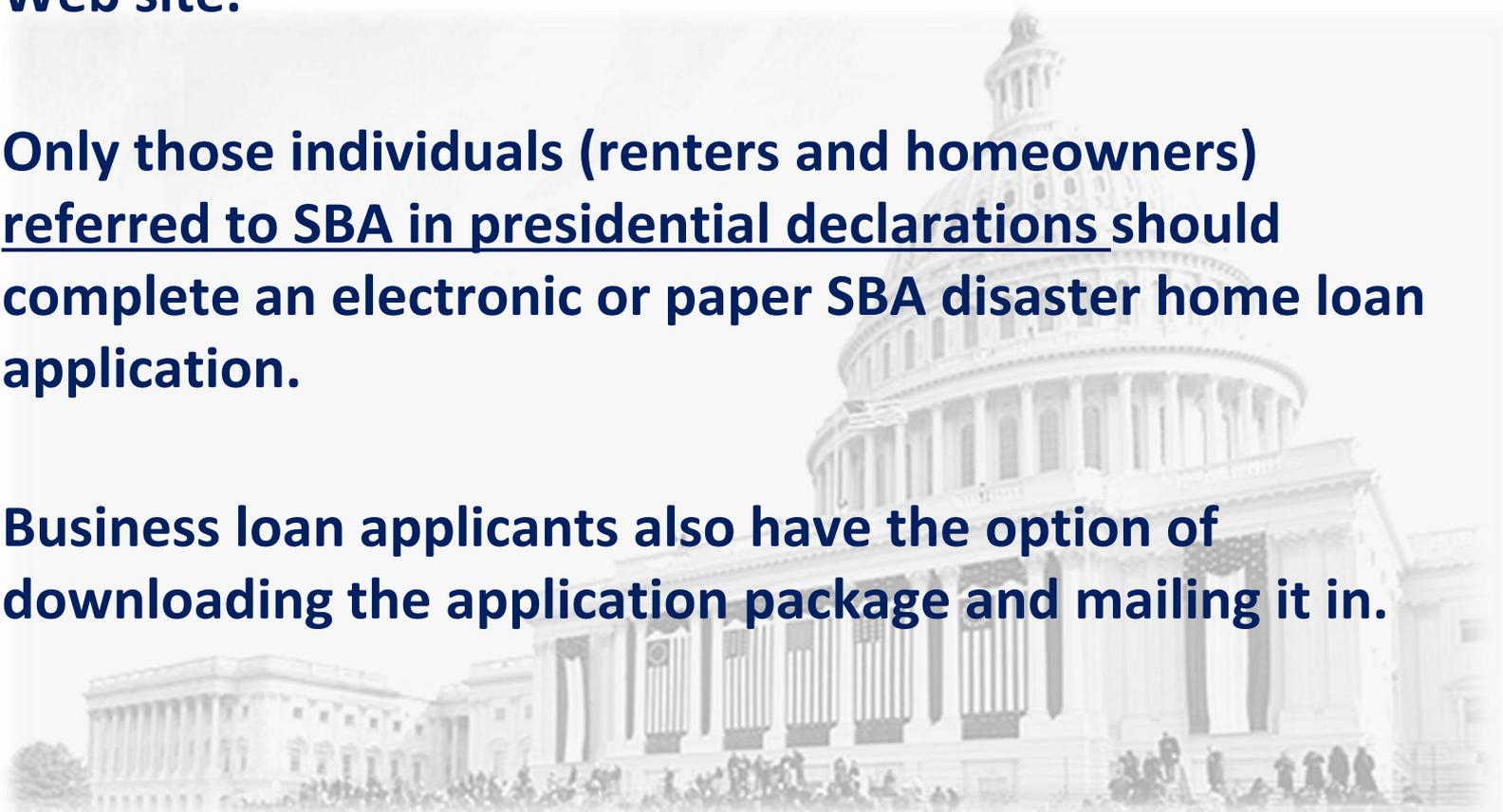
- SBA staff usually remains at a Disaster Recovery Center (DRC) after FEMA closes it to continue issuing/accepting loan applications and to close loans.
- When this occurs we publicize a “transition” from a “DRC” to an SBA Disaster Loan Outreach Centers (DLOCs).
- DLOCs are also established in agency declarations.

Individual Assistance Sequence of Delivery



NOTE: Eligibility is based on a FEMA inspection conducted on the damaged property. Max amount of Individuals and Households Assistance (IHP) is adjusted annually according to the CPI index.

- Applicants can apply to SBA on-line through our secure Web site.
- Only those individuals (renters and homeowners) referred to SBA in presidential declarations should complete an electronic or paper SBA disaster home loan application.
- Business loan applicants also have the option of downloading the application package and mailing it in.



ODA Contact Information



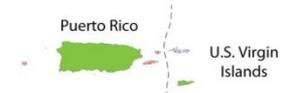
Field Operations Center – West
(916) 735-1500

Center Director – Alfred E. Judd
Deputy Center Director – Tanya Garfield
Field Operations Manager – Donna Gross
Communications Supervisor – Richard Jenkins

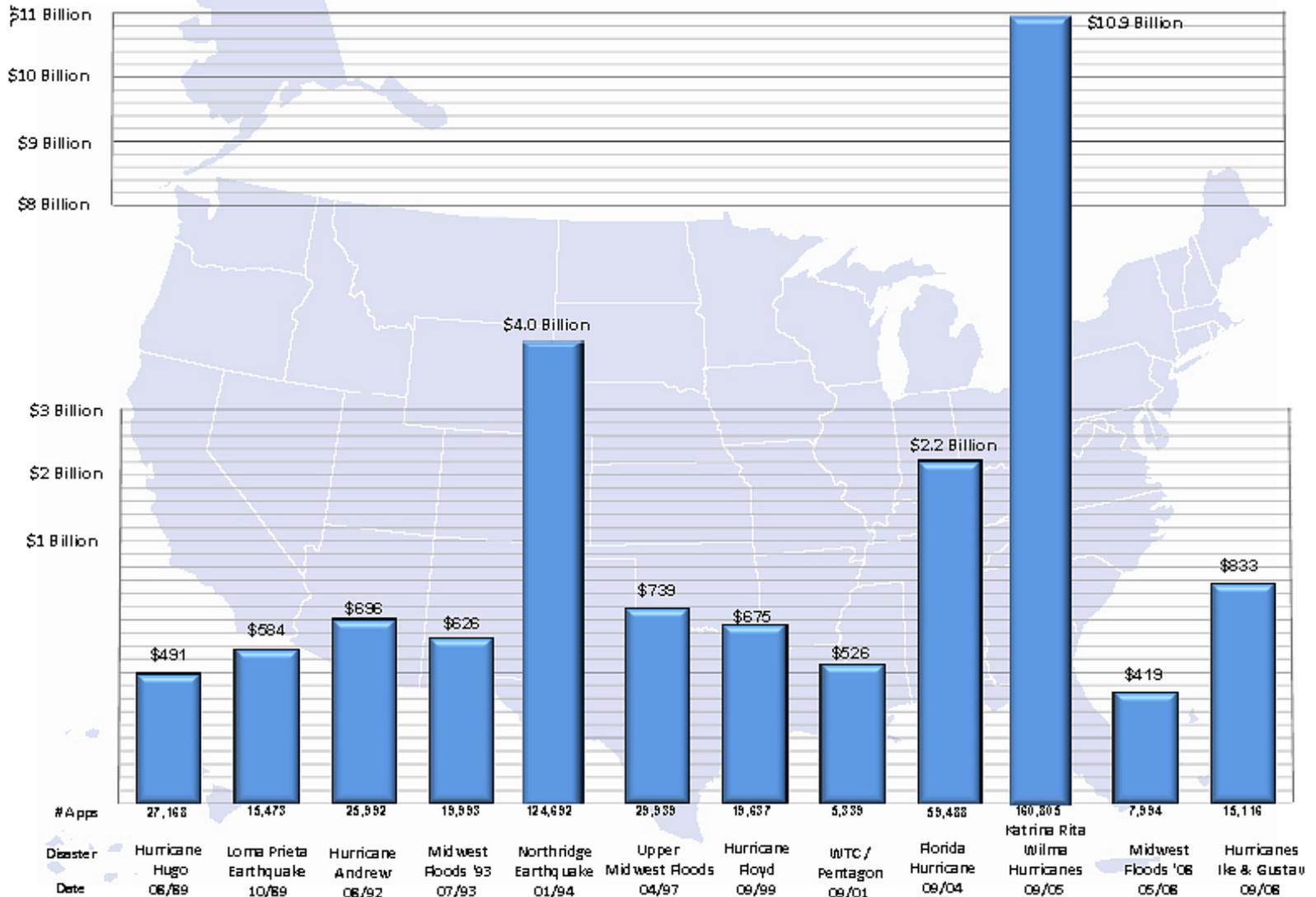
Field Operations Center – East
(404) 331-0333

Center Director – Timothy (Frank) Skaggs
Deputy Center Director – Brenda Ballew
Field Operations Manager – Harold (Tom) Fisher
Communications Supervisor – Michael Lampton

Puerto Rico &
U.S. Virgin Islands



Major Disaster Lending Activity Bar Chart 1989 to Present





United States Department of Agriculture
Farm Service Agency



USDA Programs for Disaster Relief

FEMA IA Conference

San Diego, CA

April 2010

Jerry Epting, Director

Emergency Preparedness Division

Farm Service Agency

US Department of Agriculture

Farm Service Agency Mission

To equitably serve all farmers, ranchers, and agricultural partners through the delivery of effective, efficient agricultural programs for all Americans.

Farm Service Agency's (FSA) Delivery Structure

- Through USDA Service Centers located in all major agricultural counties in the nation.
- Counties without an FSA office are served by a designated office in the region.
- Over 2200 county FSA offices.

FSA Programs & Services

- Production agriculture programs
- Conservation programs
- Commodity Purchases
- Commodity & storage facility loans
- Farm ownership & operating loans
 - Direct & Guaranteed loans
- *Disaster Programs*
- *Emergency Responsibilities*

FSA Emergency Boards

- **County Emergency Board (CEB)**
 - Chaired by FSA
 - Other USDA agencies are members
 - Conducts agricultural disaster assessments
 - Communicates and coordinates emergency response activities related to agriculture with county emergency managers
 - Request Disaster Program Implementation from Secretary of Agriculture

FSA Emergency Boards

- **State Emergency Board (SEB)**
 - Chaired by FSA
 - Other USDA agencies are members
 - Reviews agricultural disaster assessments
 - Communicates and coordinates emergency response activities related to agriculture with state emergency managers and governor's office
 - Approved or Disapproves County Request for Disaster Programs

Disaster Designation Process

Presidential Declaration:

- Governor requests from Federal government
- FEMA does assessments & recommends
- President approves & determines eligibility
- FSA assistance available if declaration includes:
 - ✓ Individual Assistance, or
 - ✓ Public Assistance if Categories C-G

Note: FSA NOT involved in Presidential process.



Disaster Designation Process

USDA Secretarial Designation:

- Governor request from Federal government (USDA)
- County FSA staff completes damage assessment
- County Emergency Board reviews & approves
- State Emergency Board reviews & approves
- FSA National Office reviews and approves
- USDA's Secretary's Office notifies Governor
- **Only FSA assistance becomes available**



Disaster Designation Process

FSA Administrator's Physical Loss Notification:

- County FSA Staff completes damage assessment
- CEB reviews & approves
- FSA State Executive Director reviews & requests
- FSA Administrator reviews & approves
- **Only FSA loans for physical losses available**

FSA Statutory Relief Programs

- Emergency Loans
- Emergency Conservation Program (ECP)
- Noninsured Assistance Program (NAP)
- Conservation Reserve Program (CRP)
 - Tree Assistance (TAP)
- Supplemental Revenue Assistance (SURE)
- Livestock Assistance Programs



Funding & Eligibility

Funding

Emergency Loans funded through prior Supplemental Appropriations:

- funding available until expended
- Typically 1-2 years following disaster

Section 32 Funds

- At Secretary's discretion

Standing Authority for NAP, CRP, TAP, SURE & Livestock

Eligibility

- Must have suffered a loss directly related to disaster
- Must meet minimum loss level for eligibility per program
- Must have purchased insurance if available



Emergency Loan Program:

- Loans available following disaster declaration
- Discretionary program, requires appropriation
- Loans available for farm purposes only
- Loan amount tied to production or physical loss
- Loans only available if commercial credit is not
- Repayment ability and adequate collateral required.

Emergency Conservation Program (ECP):

- ECP funding is appropriated **intermittently** by Congress
- Provides cost-share assistance to:
 - rehabilitate farmland damaged by natural disasters
 - carrying out emergency water conservation measures during periods of severe drought
- Provides emergency assistance to:
 - remove debris and repair/replace fences and conservation structures after a natural disaster
 - water livestock in severe drought situations.



Noninsured Crop Disaster Assistance Program:

- Provides financial assistance to producers of noninsurable crops when low yields, loss of inventory, or prevented planting occurs due to natural disasters.
- Covers only **noninsurable** crop and agricultural commodities for which the catastrophic risk protection level of crop insurance is not available.



Conservation Reserve Program:

- Permits emergency harvesting or grazing or other commercial use of forage on land subject to CRP contract in response to a drought or similar emergency
- Subject to reduction in annual payment.

Tree Assistance Program:

- Financial assistance to eligible orchardist and nursery growers
- Reimbursements for 70 percent cost to replant
- Reimbursements for pruning or removal.



Supplemental Revenue Assistance (SURE):

- Compensates farmers for whole-farm crop revenue loss.
- Available if **Secretarial** Disaster Declaration approved for county or contiguous county
 - Individual loss must be incurred, as well.
- Available if individual loss is greater than 50 percent.

Livestock Disaster Programs:

Livestock Forage Disaster Program (LFP)

- Compensation for grazing losses due to drought
- Based on drought duration per USDA's Drought Monitor
- Payment calculated on per head basis.

Livestock Indemnity Program (LIP)

- Compensation for death of livestock.
- Direct payment program
- Payment based on 75 percent of livestock value

Emergency Assistance for Livestock, Honey Bees, & Farm-Raised Catfish (ELAP)

- Available if not covered by other disaster programs



FSA's Emergency Responsibilities

- Maintain location and capacity data for:
 - Food, feed & seed facilities
 - Fertilizer facilities.
- Participate in food security activities:
 - Major natural disasters
 - Nuclear disasters

Contact your local FSA County Executive Director to build a partnership for emergency management.

<http://www.fsa.usda.gov>

Click on “State Offices”
and then your state.

