




**FEMA**

**Grant Programs Directorate Information Bulletin**  
**No. 413**  
**December 28, 2016**

**MEMORANDUM FOR:** All FY 2016 SAFER Applicants and Grant Recipients  
All Volunteer, Combination, and Career Fire Departments  
All Municipalities and Fire Districts  
All National, State, Local, or Tribal organizations representing the  
interests of firefighters and fire departments

**FROM:** Brian E. Kamoie  
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**SUBJECT:** **Economic Hardship Waivers of Cost Share, Minimum Budget,  
and Supplanting Requirements for the Staffing for Adequate  
Fire and Emergency Response (SAFER) Grant Program**

**I. Purpose**

The purpose of this Information Bulletin (IB) is to provide SAFER recipients with guidance on requesting a waiver or reduction of their non-Federal funds cost share requirement, minimum budget requirement, supplanting requirement, or any combination thereof, in cases of demonstrated economic hardship (an "Economic Hardship Waiver"). This guidance provides the minimum requirements for eligibility to request an Economic Hardship Waiver and the process and mechanism for requesting an Economic Hardship Waiver

The objective of this IB is to establish what constitutes demonstrated economic hardship, and how eligible SAFER recipients may apply for an Economic Hardship Waiver.

This IB does not supersede other guidance on this subject.

**II. Applicability**

- A. This IB is applicable to SAFER recipients commencing with the Fiscal Year (FY) 2016 grant cycle.
1. All SAFER recipients may request an Economic Hardship Waiver, provided that they properly demonstrate economic hardship by meeting the minimum requirements detailed in [Sec. III., C.](#) of this document.
  2. SAFER Hiring of Firefighter Activity grant recipients may apply for any of the available waivers.

3. SAFER Recruitment and Retention of Volunteer Firefighters Activity grant recipients may apply to waive the minimum budget requirement.
4. Not all SAFER recipients will meet the minimum requirements to request an Economic Hardship Waiver.
5. This IB is not retroactive; it does not apply to FY 2015 or previous grant years.

### III. Guidance

#### A. Authority

1. This IB is governed by the following authority:
  - a. Section 34 of the *Federal Fire Prevention and Control Act of 1974* (Pub. L. No. 93-498, as amended) (15 U.S.C. § 2229a)

#### B. Definitions

1. **Administrator** refers to the FEMA Administrator.
2. **Cost Share Requirement** is the requirement applicable to SAFER Hiring of Firefighters Activity recipients for which the Federal portion of the costs of hiring firefighters may not exceed certain percentages as described in the SAFER Notice of Funding Opportunity (NOFO) and 15 U.S.C. § 2229a (a)(1)(E).
3. **Economic Hardship Waiver** is a request – made by eligible recipients and reviewed by the Administrator – to waive or reduce a SAFER recipient’s cost share, minimum budget, or supplanting requirement, in cases of demonstrated economic hardship, per the terms of this IB.
4. **Minimum Budget Requirement** is the requirement that a SAFER recipient’s budget for fire-related programs and emergency response must not be below 80 percent of the applicant’s average funding level in the 3 years prior to November 24, 2003, as described in the SAFER NOFO and 15 U.S.C. § 2229a (a)(1)(E).
5. **Recipient**, for purposes of this IB, references a SAFER recipient, as well as a SAFER grant applicant.
6. **State** refers to any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any possession of the United States.
7. **Supplanting Requirement** is the requirement in which funds received under a SAFER Hiring of Firefighters Activity grant may not be used to replace funds that would be available from state or local sources, or from the Bureau of Indian Affairs, but shall be used to increase the amount of funding that would, in the absence of Federal funds received, be made available from state or local sources, or funds supplied by the Bureau of Indian Affairs.

#### C. Eligibility – Demonstrating Economic Hardship

1. For a recipient to be eligible for an Economic Hardship Waiver, the recipient must affirm that their governing agency or municipality does not have the available financial resources to cover all or part of the cost share, or minimum budget requirements, or the restriction on supplanting. Recipients must affirm that they do not

have access to financial resources from any source that could be used to cover these costs, including from: reserve funds, savings accounts, rainy day fund, or other financial instruments.

2. In addition to this affirmation, to be eligible for an Economic Hardship Waiver, a recipient must demonstrate economic hardship in one of two ways:
  - a. Demonstrate that at least three (3) of the four (4) of the following conditions exist within the community consisting of the recipient's first-due response geographical area:
    - 1) That the rate of unemployment in the recipient's community has increased during the previous three (3) years preceding the application for the waiver. Each recipient submitting an Economic Hardship Waiver shall supply statistics indicating their local unemployment rates for the previous three years.
    - 2) That the rate of unemployment in the recipient's community exceeds the annual national average rate of unemployment by not less than two (2) percentage points. See, for example national unemployment rate data at: <http://data.bls.gov/timeseries/LNS14000000>
    - 3) During the last three years, the median household income during for the recipient's community has been 80 percent or less than that of the median household income in the state in which the recipient is located. See, for example county-level data at: <http://www.ers.usda.gov/data-products/county-level-data-sets.aspx>
    - 4) That the poverty rate of the recipient's community has remained at a rate of 150 percent or greater than that of the national poverty rate. See, for example, county level data at: <http://www.ers.usda.gov/data-products/county-level-data-sets.aspx>; or,
  - b. Demonstrate that the recipient, or the recipient's governing agency or municipality, has filed for bankruptcy, or has been placed under third party financial oversight or receivership within the previous three (3) years.
3. Note: Recipients may also supply optional information supporting their waiver request. Such information may include data which shows the percentage of individuals in the recipient's community who are eligible to receive assistance under the U.S. Dept. of Agriculture's Supplemental Nutrition Assistance Program (SNAP) has increased over the three (3) year period preceding the application for the waiver.
  - a. See, for example, SNAP data at: <http://www.fns.usda.gov/pd/SNAPmain.htm>. Submitting this information does not replace the requirement that the recipient must meet the requirements of either Section III.D.1. or III.D.2, above, in order to be eligible for an Economic Hardship Waiver.

#### D. Economic Hardship Waiver Application Process

1. SAFER award applicants who intend to also apply for an economic hardship waiver must indicate which of the three waivers they will be applying for within the online application, via the eGrants system. Only submitted applications that select a waiver option will be contacted by the SAFER program office. Applicants will be asked, during the SAFER application period, about their intent to apply for an economic

hardship waiver and which provisions of the statute they are requesting to waive. The SAFER program office will contact applicants to request information to support their request after the application period has ended. Only submitted applications that select a waiver option will be contacted by the SAFER program office.

2. When submitting an Economic Hardship Waiver request, the recipient shall:
  - a. Identify the data source(s) and provide attribution in support of their claim(s) of economic hardship. All data sources must be verifiable. Failure to supply the source(s) of the data supplied will result in the waiver request being denied.
  - b. Upon receipt of the waiver request in the submitted SAFER application, the applicant will be contacted by the SAFER program office with detailed instructions as to how to submit all required supporting documentation. The SAFER program office will confirm receipt of the submitted information and subsequently attach the submitted information to the applicants file through the AFGP eGrant system.
  - c. The Administrator, with input from the FEMA Grant Programs Directorate, will have the final authority to make determinations as to whether an application for an Economic Hardship Waiver will be granted. Meeting the eligibility requirements described above does not entitle a recipient to an Economic Hardship Waiver. All decisions regarding Economic Hardship Waivers by the Administrator are final. Recipients will not be permitted to appeal any Economic Hardship Waiver decision made by the Administrator. Additionally, FEMA reserves the right to request additional or clarifying information from the recipient after any Economic Hardship waiver has been submitted before deciding on the waiver request.

E. Impacts on Cost Share and Minimum Budget Requirements

1. Where a full waiver has been requested, FEMA reserves the right to reduce, but not eliminate, the recipient's cost share or minimum budget requirement.
2. Should FEMA grant an Economic Hardship Waiver of the cost share requirement, this shall only have an effect on the recipient's required cost share. FEMA will not increase the amount of the Federal share awarded.

#### **IV. Questions**

Questions regarding this IB may be directed to the SAFER Help Desk at [firegrants@fema.dhs.gov](mailto:firegrants@fema.dhs.gov) or by calling (866) 274-0960.

#### **V. Review Date**

This IB will be reviewed within five years (5) from date of issuance.