

SUPPLEMENTAL MATERIALS

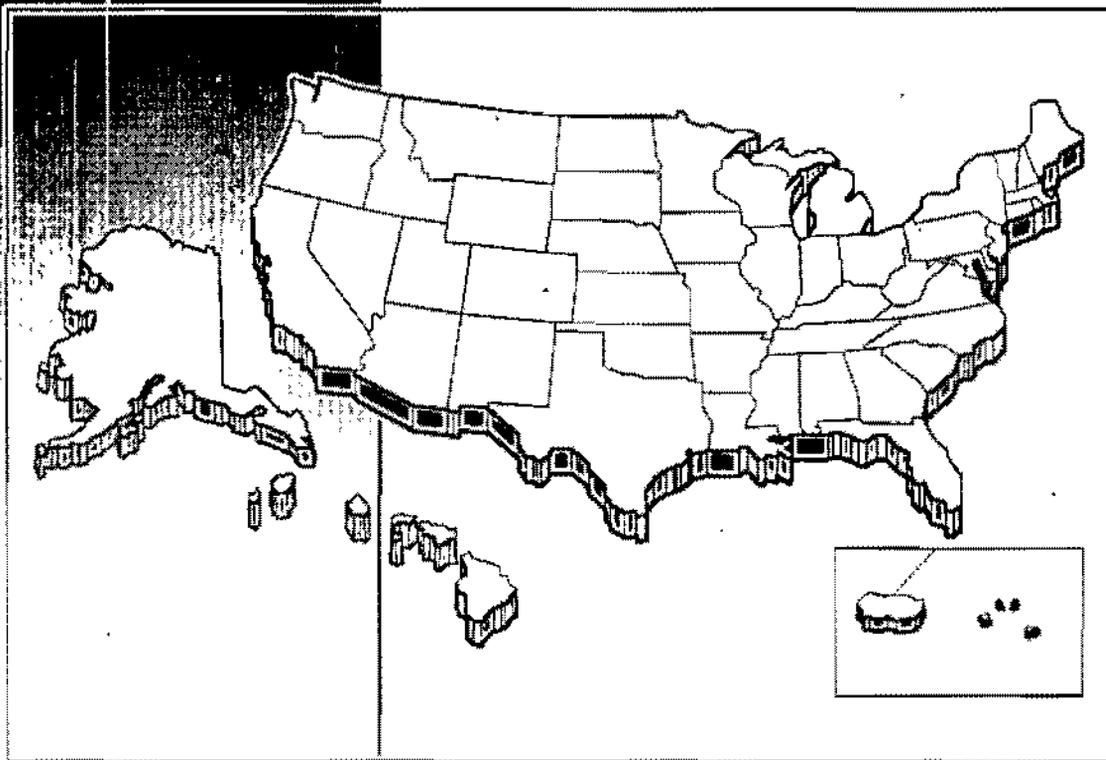
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Individual and Family Grant Program Handbook



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INDIVIDUAL AND FAMILY GRANT PROGRAM HANDBOOK

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Response and Recovery Directorate
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FOREWORD

This handbook provides guidance to State government agencies responsible for the administration and management of the Individual and Family Grant (IFG) Program and to the Federal Emergency Management Agency (FEMA) Regional and Headquarters staff who monitor the State's implementation of the program. Information presented in this handbook has been derived from Federal regulations governing the IFG Program, specifically 44 CFR, Section 206.131, and from Federal guidelines for program implementation. The IFG Program regulations are provided with explanations in Appendix A.

This handbook defines the State government's role in administering the program, and may be used by the State to establish procedures for program implementation. Towards this end, the handbook includes a discussion of the development of the State administrative plan, which is a key element in defining the State's responsibilities. The handbook also provides definitions and eligibility criteria that may be applied when determining grant awards.

The handbook is organized in chronological order from program implementation to close-out. Each chapter discusses a processing activity(s) that is necessary to operate the IFG Program. Overlapping of processing activities often occurs; therefore, some items are discussed out of chronological order. To locate a particular topic, refer to the index.

Chapter 1: *Program Overview*

1. SUPPORTING LEGISLATION

The Individual and Family Grant (IFG) Program provides financial assistance to individuals or families who sustain damage or develop serious needs because of a natural or man-made disaster. The IFG Program provides funds for necessary expenses and serious needs that cannot be provided for by insurance, another Federal program, or other source of assistance. The IFG Program was first authorized by the U.S. Congress under the Disaster Relief Act of 1974 (Public Law 93-288), and later modified by the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 100-707, referred to hereafter as the Stafford Act), which was passed in 1988.

The Disaster Relief Act was passed by Congress to provide Federal assistance to State and local governments whose resources are overwhelmed by disasters. Among other objectives, the Disaster Relief Act established guidelines for applying Federal resources to alleviate public and private losses and needs resulting from disasters. Section 408 of the Disaster Relief Act created the IFG Program. The Disaster Relief Act specified that the IFG Program was to be administered by the Governor of the State, monitored by the Federal Emergency Management Agency (FEMA), and funded jointly by the Federal and State governments.

In 1988, the Disaster Relief Act was amended by the Stafford Act. Section 411 of the Stafford Act increased the maximum allowable grant amount for the IFG Program and the level of Federal reimbursement for administrative expenses incurred by the State while administering the IFG Program. The purpose and function of the IFG Program

were not fundamentally changed. Policy and procedures for the implementation of the IFG Program under the Stafford Act have been published in Title 44 of the Code of Federal Regulations (CFR) in Section 206.131, "Individual and Family Grant Programs."

2. FUNCTION OF THE IFG PROGRAM

Following a disaster, the Governor of the affected State may request a Presidential disaster declaration so that the victims, as well as State and local governments, will be eligible for Federal assistance made available when disaster-related needs cannot be met by State and local resources. The Governor may request that the IFG Program be implemented as part of the declaration. If the program is implemented, individuals and families who cannot obtain assistance from other sources may be eligible for IFG Program funds for disaster-related necessary expenses and serious needs, including the following:

- repair, rebuilding, or replacement of housing;
- real property costs associated with access to a residence, debris removal, cleaning and sanitation, and protective or hazard mitigation measures;
- replacement of clothing;
- repair, replacement, or cleaning of necessary household items, such as basic appliances, furniture, and kitchen and bathroom accessories;
- repair or replacement of durable medical equipment, such as wheelchairs;

- replacement of tools, protective or specialized clothing, or equipment that is required by an employer as a condition for employment (other than self-employment), as well as books, equipment, and supplies for enrolled college or trade school students or trainees;
- moving and storage costs;
- repair or replacement of primary means of transportation;
- costs for medical and dental treatment; and
- funeral costs.

The IFG Program is not intended to indemnify a victim against disaster losses or to purchase or replace items or provide services that could be characterized as non-essential, luxury, recreational, or decorative. The program provides individuals or families with assistance to recover from a disaster and establish a habitable and sanitary living environment. The program may not completely restore a victim to his or her pre-disaster condition.

A. OTHER FORMS OF ASSISTANCE

An applicant is eligible for assistance from the IFG Program once the State determines that the necessary expenses and serious needs of that applicant cannot be met through other sources. These sources include:

- emergency assistance provided by voluntary agencies, such as the American Red Cross;
- property, vehicle, and mobile home insurance policies;
- medical insurance policies, including Federal and State medical coverage programs;
- home repair assistance provided by FEMA's Disaster Housing Program; and
- real or personal property disaster loans from the Small Business Administration (SBA).

B. SBA: RELATIONSHIP WITH THE IFG PROGRAM

If the applicant's real or personal property is damaged, or the applicant has transportation needs due to damage to a vehicle, he or she must be considered for a disaster loan from SBA before being referred to the IFG Program. The applicant's income is compared with SBA guidelines for loan eligibility. If the applicant's income falls below SBA requirements, the applicant is automatically referred to the IFG Program for assistance. However, if the applicant's income meets SBA requirements, he or she must be denied an SBA loan, or receive a loan that is insufficient to meet his or her necessary expenses and serious needs, before being referred to the IFG Program.

C. MAXIMUM GRANT AND PROGRAM FUNDING

The Stafford Act prohibits the State from awarding an IFG Program grant that exceeds the maximum allowable amount. This maximum is applied to a single grant or to the sum of several grants awarded to one applicant, per disaster, and includes the Federal and State shares of the grant(s). The maximum grant that may be awarded to an applicant was originally set by the Stafford Act in 1988 at \$10,000. In accordance with the Stafford Act, FEMA adjusts the maximum grant award at the beginning of each fiscal year to reflect changes in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, and publishes a notification of the revised amount in the Federal Register. A historical list of fiscal year maximum allowable grant amounts is given in Appendix B.

The Stafford Act also stipulates that the Federal Government will fund 75 percent of each grant awarded. The State must fund the remaining 25 percent of each grant awarded. The State may request a loan from the Federal Government if the State is unable to provide the 25 percent. In addition to providing direct funding for the grants, the Federal Government covers the State's administrative costs up to, but not exceeding, an amount equal to 5 percent of the Federal share of the grants. The State must document its program-related administrative expenditures in accordance with Federal requirements.

3. ADMINISTRATION OF THE IFG PROGRAM

A. GENERAL FEDERAL RESPONSIBILITIES

Federal participation and oversight are primarily the responsibility of the FEMA Regional Director. Prior to a disaster, the Regional Director must ensure that the State has an administrative plan for implementing the IFG Program by coordinating with State agencies and reviewing and approving the State administrative plan. The Regional Director also monitors the State's administration of the IFG Program during disaster recovery and provides technical assistance. The Regional Director ensures that the Federal funds necessary for the administration of the IFG Program have been allocated and are obligated for State use in time to meet IFG Program needs. Finally, the Regional Director reviews State IFG Program close-out activities and ensures that all fiscal accounts have been properly and promptly reconciled.

Following a Presidential disaster declaration, FEMA takes registrations for disaster assistance from victims. FEMA also maintains processing facilities where these applications are entered into a database and processed according to the type of assistance the applicant needs. Application processing includes:

- determination of disaster housing needs, and assignment of inspectors to verify real and personal property and vehicle damage;
- referral to SBA for home, personal property, vehicle, and business loans; and
- referral to the State agency responsible for the IFG Program.

B. GENERAL STATE RESPONSIBILITIES

Section 102 of the Stafford Act defines "State" as: any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau. In this handbook, "State" refers to the government of the State, specifically the agency responsible for administering the IFG Program.

The State administers the IFG Program in cooperation with the Federal Government. State disaster officials, particularly the Governor's Authorized Representative and the Grant Coordinating Officer, are responsible for administering the IFG Program in compliance with Federal regulations and in cooperation with other State and Federal recovery efforts:

The State must develop an administrative plan for implementing the IFG Program, and submit it to the Regional Director for review and approval each January. The Regional Director must also review and approve the plan immediately following a disaster declaration, before the State implements the plan. Review and approval of the plan by the Regional Director ensures that the State is complying with the IFG Program regulations and FEMA policies.

The State must:

- review applications;
- determine grant eligibility;

- prepare notifications of grant awards and denials;
- disburse and monitor the use of grant funds;
- respond to applicant appeals;
- provide FEMA with progress reports;
- cooperate with FEMA in program reviews; and
- monitor the IFG Program.

Upon completion of the IFG Program, the State must review its accounts and submit a report for approval by the Regional Director.

Chapter 2
Program Initiation

Chapter 2: ***IFG Program Initiation***

This chapter describes: IFG Program initiation and the key Federal and State personnel involved; registering disaster victims; and time frames for IFG Program administration and completion.

1. THE DISASTER DECLARATION

When a disaster strikes, the Governor of the affected State may seek assistance from the Federal Government by requesting a Presidential disaster declaration under the Stafford Act. The Governor must submit this request through the appropriate Regional Director, who evaluates the request and forwards it to FEMA Headquarters with a recommendation and supporting information. FEMA Headquarters in turn makes a recommendation to the President, who may then decide to authorize a Federal disaster declaration. Federal recovery operations begin with this declaration, which is required before the IFG Program and other Federal disaster programs may be implemented.

A. KEY PERSONNEL AND RESPONSIBILITIES

General responsibilities of key Federal and State personnel are described below. Specific responsibilities of State personnel may vary from State to State. Responsibilities of the State officials who administer the IFG Program should be specified in the State administrative plan, as discussed in Chapter 3.

Regional Director: The Regional Director is the principal Federal officer involved in the disaster response and recovery, and the first point-of-contact for the affected State. The Regional Director ensures that the IFG Program, as well

as other Federal response and recovery programs, are administered in accordance with Federal regulations.

Federal Coordinating Officer (FCO): The FCO is the President's representative in the field of operation. The FCO coordinates all disaster assistance programs, including the IFG Program, with the State. The FCO:

- establishes a Disaster Field Office (DFO) as the central location for the operation of Federal programs, as well as those of State and local governments and voluntary organizations;
- establishes and manages Disaster Application Centers (DACs) and manages the registration of disaster victims;
- manages the verification of disaster-related damage and providing verification data to the State;
- ensures that disaster victims are receiving all the assistance for which they are eligible;
- continues coordination with other agencies and organizations to prevent duplication of benefits; and
- monitors the delivery and timeliness of agency programs, including the IFG Program, and takes corrective measures as necessary.

Disaster Recovery Manager (DRM): The Regional Director may delegate authority for the IFG Program to the DRM. The FCO and the DRM are often the same person. Usually, the DRM:

- monitors and evaluates the State's implementation and administration of the IFG Program in accordance with the State administrative plan through program reviews;
- authorizes funding obligations; and
- manages coordination among all disaster assistance programs, including the IFG Program.

Human Services Officer or IFG Coordinator: The DRM delegates day-to-day responsibility for the IFG Program to the Human Services Officer. The Human Services Officer routinely assigns responsibility for the IFG Program to an IFG Coordinator. The IFG Coordinator:

- reviews the State administrative plan for the Regional Director;
- assists the State in making disaster-specific changes required to run the program;
- helps the State's Grant Coordinating Officer or IFG Program Manager implement the program and identify and correct problems;
- appraises the DRM of changes in funding needs and prepares documentation, as appropriate;

- performs program reviews for the Regional Director or DRM; and
- monitors timeliness and efficiency of application processing and award disbursement.

Governor's Authorized Representative (GAR): The GAR is appointed by the Governor to administer Federal disaster assistance programs on behalf of the State. The GAR is the State disaster official with primary responsibility for ensuring the integrity of the State's financial accountability systems.

State Coordinating Officer (SCO): The SCO is the FCO's State counterpart. The SCO coordinates State and local disaster response and recovery efforts, including the IFG Program, with those of the Federal Government.

Grant Coordinating Officer (GCO): The GCO is the State official who implements and administers the IFG Program in accordance with the State administrative plan. The GCO:

- updates the State administrative plan;
- ensures that the IFG Program is adequately staffed, and that staff are adequately trained;
- approves all State eligibility determinations;
- processes reconsiderations and forwards appeals to the State appeal authority;

- monitors the State's administration of the program, and identifies and corrects problems;
- monitors the status of funds, advises the GAR when additional funds should be obligated, and requests advances of funds;
- conducts a quality control sample of determinations;
- ensures that IFG Program grant funds are recovered from applicants when necessary, and that cases of fraud or other wrongdoing are reported to the Regional Director or DRM;
- prepares reports required by FEMA; and
- prepares documentation necessary to close the IFG Program.

IFG Program Manager: The GCO routinely delegates day-to-day responsibilities for administering the IFG Program to the IFG Program Manager. His or her responsibilities may include some or all of the responsibilities described above.

B. PRELIMINARY DAMAGE ASSESSMENT

The Preliminary Damage Assessment (PDA) is the first step taken by Federal and State officials to request a Presidential disaster declaration. Teams of Federal and State representatives, usually accompanied by representatives of the local government, survey the disaster area to determine the impact and magnitude of the disaster. The PDA is used to evaluate the disaster-related

needs of individuals, businesses, the public sector, and the whole community. The State uses the information collected as the basis for the Governor's request for a Presidential disaster declaration, and the Regional Director uses it as documentation for his or her recommendation to FEMA Headquarters.

For unusually large disasters, the Governor may request a Presidential disaster declaration prior to the PDA to expedite the Federal response. The PDA should still be conducted after the declaration to determine the extent of the damage and to estimate program costs.

Factors affecting potential IFG Program costs. The Governor's request to implement the IFG Program must include an estimate of the program costs. Factors used to determine potential IFG Program costs are:

- the magnitude of the disaster (for example, flood crest levels);
- the severity of damage to housing, including estimates of the number of damaged homes, apartment units, and manufactured housing units;
- the loss of lives during the disaster;
- the length of the incident;
- the income levels of the affected population; and
- the percentage of disaster-related losses covered by insurance (such as flood, earthquake, or homeowner's insurance) for the disaster.

C. THE GOVERNOR'S REQUEST

The IFG Program is not automatically implemented with a Presidential disaster declaration. The program must be specifically requested by the Governor. The Governor either:

- includes the request for the IFG Program in the letter to the Regional Director asking for a Presidential disaster declaration; or
- separately requests the IFG Program through the Regional Director within 7 days of the disaster declaration.

The Governor's request for the IFG Program must demonstrate the State's intent to implement the program by providing the following information:

- a statement that the IFG Program is needed;
- a statement that the State will implement the program in the disaster area designated by the President;
- an estimate of the total dollar amount of grants to be awarded under the program;
- certification that the State will pay its 25 percent share of the cost of grant awards;
- certification that the State will return any excess Federal funds when they are discovered;

- an agreement to implement the State administrative plan approved for the disaster; and
- an agreement to closely coordinate with FEMA in the implementation of the program.

The estimate of program costs should be developed using data obtained during the PDA, as described above. If necessary, the Governor's letter may also request that the Federal Government loan to the State the funds necessary to cover the State's 25 percent share of grant awards. The loan of the State share is discussed in Chapter 8.

Figure 2-1 is a sample of the letter that may be used by a Governor to request the IFG Program.

D. REGIONAL DIRECTOR'S RESPONSE

Prior to authorizing the obligation of funds for the IFG Program, the Regional Director must:

- receive the Governor's letter of intent to implement the program;
- ensure that the State administrative plan, including the price list for personal property, has been updated and approved. The plan, which must be approved by the Regional Director each January, must be updated before it can be implemented when a disaster occurs;
- ensure that the State is not delinquent in repayment of Federal advances or loans for any disaster program implemented during previous disasters. IFG Program obligations cannot be made if the State is delinquent in

repayment of any debts owed to FEMA for advances or loans from previous disasters. The Regional Director may advise the State of any remedial action it must take before new funds can be obligated; and

- ensure that the FEMA-State agreement has been signed. This agreement is the official contract between FEMA and the State on the provision of disaster relief. If appropriate, the agreement should specify the terms under which the State will repay the Federal loan of the State's 25 percent share of grant awards.

Once the above conditions have been met, the Regional Director or DRM prepares a response to the Governor's request. This letter, which is sent to the Governor or GAR:

- documents approval of the State administrative plan;
- identifies the approximate number and amount of grants, the projected cost of the IFG Program, and the amount of money to be obligated by the Federal Government;
- identifies the Federal and State percentages of program costs; and
- establishes the amount of the initial Federal obligation.

Figure 2-2 is a sample of a letter that may be used by the Regional Director or DRM to respond to the Governor's request.

The obligation of funds begins once the Regional Director has agreed to the Governor's request. Obligation of funds is discussed in Chapter 8.

2. REGISTRATION

Registration is the process of recording information about a disaster victim to enable disaster assistance programs to respond to the victim with the appropriate form of assistance.

Application is the process of referring the victim's information to the appropriate program so that the victim may receive the assistance for which he or she is eligible.

Following a Presidential disaster declaration, Federal and State officials initiate a system to register disaster victims for assistance. The registrations are used to identify victims and their needs and to determine the type of assistance necessary to meet those needs. The standard registration form is FEMA Form 90-69, "Disaster Assistance Registration," an example of which is given in Figure 2-3. A single registration is used to collect information for the Disaster Housing Program, the IFG Program, and the Small Business Administration (SBA) Disaster Loan Program. Registrations are stored in FEMA's database.

A. TAKING REGISTRATIONS

Registrations are taken at DACs or via Teleregistration. The discussion below is intended to provide an overview of registration. Specific details on the logistics, staffing, and operations of DACs and Teleregistration are beyond the scope of this handbook.

DACs. A DAC is a temporary facility established by FEMA, in coordination with the State, where disaster victims register for assistance. The FCO and SCO determine the number and location of DACs based on the magnitude and geography of the disaster. The function, locations, and hours of operation of DACs are publicized by FEMA and the State through the media. FEMA is responsible for training volunteers and reserve personnel to work in DACs as registrars; however, FEMA and the State may co-sponsor these activities.

Registration is the primary function of DACs. However, State, local, and voluntary agencies may station personnel in DACs to provide information on other types of disaster assistance. SBA usually staffs DACs to assist victims who are applying for SBA disaster loans.

Teleregistration. The Teleregistration system enables disaster victims to register for disaster assistance by telephone, rather than at DACs. The system is accessed via a toll-free telephone number that is publicized by FEMA. The National Teleregistration Center (NTC), located in Denton, Texas, is the central Teleregistration facility. For large disasters, however, satellite Teleregistration centers may be established to accommodate the increased demand. The same telephone number is used for all Teleregistration centers.

Registrations taken through the Teleregistration system are entered directly into FEMA's database. The "on-line" version of the disaster assistance registration, which is shown in Figure 2-4, contains the same information as FEMA Form 90-69.

Time frames. NTC is available immediately to take registrations. The opening of DACs, however, may not be immediate due to the logistics of opening these

facilities. Taking registrations at DACs must begin within 4 days of the Presidential disaster declaration. FEMA deploys reservists to begin taking registrations in DACs, and trains additional DAC personnel as necessary.

FEMA accepts registrations at DACs or through Teleregistration for up to 60 days after the date of the disaster declaration, unless additional time for registration is authorized by the Regional Director. Additional information regarding time frames for accepting IFG Program applications is given below.

Registration information. The registration contains personal information about the applicant, such as addresses and telephone numbers; the type of losses or damage incurred; the applicant's dependents, or persons living in the applicant's home; home ownership; and the gross income level of the applicant's family. Information on the registration that is of primary importance to the IFG Program is as follows:

- **Income information:** depending on the applicant's income level, the application may be referred automatically to the IFG Program; or the applicant may have to apply for an SBA loan and be denied or receive a loan that is not sufficient to meet his or her necessary expenses or serious needs before being referred to the IFG Program.
- **Uninsured expenses for medical and dental treatment, funeral services, and moving and storage:** the application will automatically be referred to the IFG Program for immediate processing, because SBA does not loan funds for these expenses.

- Real property, personal property, and transportation (vehicle) damage, and damage to durable medical equipment: the applicant has suffered damage that may be eligible for an IFG Program award, if the applicant's needs are not met by insurance, the Disaster Housing Program, or an SBA disaster loan.
- Names, ages, and relationships of persons living in the house at the time of the disaster: this could affect the amount of the grant that may be awarded.

Family composition. The IFG Program regulations distinguish between families, individuals, and dependents. The definitions are important because they affect the number of applications that should be filed, whether or not the group is eligible for IFG Program assistance based on income, and the maximum grant that may be awarded to the group. Eligibility for IFG Program grants is based on family composition at the time of the disaster.

A "family" is defined by the IFG Program regulations as a social unit living together and composed of:

- legally married couples, or couples living together as if they were married (referred to as "common law marriages" in some States), and their dependents;
- a single person and his or her dependents; and
- persons who jointly own and reside in the residence, and their dependents. Such persons are considered a family by virtue of their decision to jointly share expenses.

Unmarried couples who live together may register separately.

A "dependent" is defined by the IFG Program regulations as an individual who is normally claimed on the tax return of another. This definition is applicable to the following situations:

- minor children living with their parents;
- minor children of parents who do not live together, and the children live in the affected residence of the parent who does not claim them on the tax return;
- parents who reside with their children, if they are claimed on their children's tax returns; and
- adults who cannot manage their own affairs and are considered dependents of other household members.

An "individual" is anyone who is not a member of a family as defined above.

Multi-application households. If the household consists of more than one family or individual, these groups or individuals should register for assistance for their necessary expenses and serious needs separately. Household residents who are not joint owners of the residence are ineligible for IFG Program grants for real property.

Separate registrations should be taken for:

- adult children who are not dependents but are living with their parents;

- individuals who reside together ("roommates") but who are not considered a family as defined above; and
- parents who live with their children but are not claimed as dependents.

B. DISTRIBUTION OF APPLICANT INFORMATION

The registration is used to provide information simultaneously to the Disaster Housing Program, the IFG Program, and SBA. In addition, the registration may be used to refer the individual or family to other agencies and programs, such as the American Red Cross and the disaster unemployment assistance program.

Once completed, all registrations are transmitted to a processing center managed by FEMA, where FEMA maintains the database used to track registrations and applications as they are processed. FEMA stores the following information in the database:

- an applicant's personal information;
- an applicant's insurance coverage status;
- an applicant's SBA status;
- an applicant's IFG Program status;
- an applicant's Disaster Housing Program status; and
- the results of the damage verification inspection.

The processing center staff: updates applicant information as necessary; processes applications to the Disaster Housing Program; updates the database to reflect changes in an applicant's SBA status based on information received from SBA; and electronically transmits applications to the State IFG Program for processing as appropriate.

The "Helpline." To respond to concerns regarding registrations and applications, FEMA operates a toll-free telephone information service called the "Helpline." Helpline operators have access to FEMA's database. This service enables applicants to:

- update and correct registration information, such as addresses and telephone numbers;
- check on the status of their applications; and
- obtain information on the disaster response and recovery.

If the State establishes an IFG Program telephone information line, the State and FEMA must agree on procedures for timely and accurate information sharing. The FEMA Human Services Officer or IFG Coordinator and the GCO share responsibility for determining the schedule, format, and content of information updates.

3. PROGRAM TIME REQUIREMENTS

Time requirements for the State's administration of the IFG Program are described in 44 CFR, Paragraphs 206.131(j) and (k), and in Section 423 of the Stafford Act, "Appeals of Assistance Decisions." These requirements are summarized below.

- Governor's request: the Governor must state his or her intention to implement the IFG Program no later than 7 days after the disaster declaration.
- Acceptance of IFG Program applications: the State may accept applications up to 60 days after the declaration date, or for as long as FEMA continues to accept registrations.
- Late applications: FEMA may accept late registrations with extenuating circumstances for 30 days after the registration period ends. The State must accept applications to the IFG Program based on these registrations.
- Grant award activity: the State must complete grant award activity 180 days after the declaration date, unless FEMA extends the registration period. If FEMA extends the registration period, the date for completion of the grant award activity is determined by FEMA in coordination with the State.
- Administrative activity: the State must complete all administrative activity 90 days after the completion of grant award activity.
- State-level appeals: the State must accept appeals of IFG Program decisions for 60 days after issuing award or denial letters and must respond to appeals within 90 days, or within a shorter time frame, if mandated by the State administrative plan.

- Appeals by the State: the State has 60 days to appeal any decision made by the Regional Director. The Regional Director must respond to the State's appeal within 15 days.
- Appeals to the Associate Director: the State may further appeal the Regional Director's decision on any issue to the Associate Director, Response and Recovery Directorate. The State must appeal within 60 days of the Regional Director's decision.
- Record keeping: the State is required to keep all documents relating to the IFG Program for 3 years from the date the IFG Program is closed.

Extensions. The GAR may submit a request to the Regional Director for an extension of IFG Program deadlines. The request must be accompanied by appropriate justification. The Regional Director may approve an extension for a period not to exceed 90 days. The Associate Director, Response and Recovery Directorate, FEMA, must approve subsequent extensions. The State must direct extension requests to the Associate Director, Response and Recovery Directorate, with "Attention: Director, Human Services Division."

Acceptance of late applications. FEMA may accept a late registration for 30 days after the registration period closes if the victim was unable to register for assistance due to circumstances beyond his or her control. Such circumstances include sickness, hospitalization, and inaccessibility to a DAC or Teleregistration. The victim must contact FEMA to request such consideration. If the victim contacts the State first, the State must refer the victim to FEMA for registration. Late registrations are usually accomplished via Teleregistration. If FEMA accepts the registration, the State may accept an IFG Program application based on the registration.

The State may also accept an application that is referred to the IFG Program by SBA after the application period has ended. This process is described in Chapter 7.

Completion of grant award activity. Grant award activity includes eligibility determinations, disbursement, and disposition of State-level appeals.

The Regional Director may suspend funds for grant awards made after the completion date has passed. To prevent suspension of funds, the GAR must request an extension from the Regional Director.

Completion of administrative activity. Administrative activity includes the GCO's review of randomly selected case files and preparation of the close-out package for submittal to the Regional Director. It does not include completion of a State audit in compliance with the Single Audit Act of 1984. Normally, the State agency administering the IFG Program is not responsible for performing the audit. The GCO should not delay beginning program close-out activities based on an audit schedule. Similarly, the program may be closed if program-related litigation against the State is pending.

If the grant award deadline is extended by the Regional Director, the deadline for the completion of administrative activity is automatically extended so that the State has an additional 90 days. The GAR may request an additional extension of the administrative activity period from the Regional Director, who must forward the request to the Associate Director, Response and Recovery Directorate, FEMA.

FEMA considers an IFG Program to be closed after the Regional Director has reviewed the State's close-out package, final payment has been made, and FEMA Headquarters has approved the State's Standard Form 269 (see Chapter 10).

Appeals. State-level appeals are discussed in Chapter 7. Appeals by the State are discussed in Chapter 10.

Record keeping requirements. Record keeping requirements are discussed in Chapter 10.

October 1995

Regional Director
Federal Emergency Management Agency
Region [*]
[Address]

Dear [*]:

I am requesting that the Individual and Family Grant (IFG) Program be implemented within the State of [*] as part of the recovery operation for Presidential disaster declaration FEMA-*
DR-*. The IFG Program is needed to meet the necessary expenses and serious needs of individuals and families affected by the recent [type of disaster].

If this request is approved, the IFG Program will be implemented by the [name of State agency] within the counties that have been included in the Presidential disaster declaration. The [State agency] will implement the IFG Program in accordance with the State Administrative Plan, following your approval of the plan.

Based on the Preliminary Damage Assessment, we estimate that the total cost of the IFG Program will be \$[*]. We estimate [number of grants] at an average amount per grant of \$[*]. The State share (25 percent) of this cost is \$[*]. I certify that the State of [*] will pay its share of the program cost. I have authorized the [State fiscal agency] to make the necessary funds available so that the State may meet this obligation. If the State receives any Federal funds in excess of those needed to cover the cost of the program, the State will return the excess funds to the Federal Emergency Management Agency immediately upon discovery.

While implementing the IFG Program, the [State agency] will maintain close coordination with your office to ensure that the program is administered in accordance with Federal regulations and is meeting the needs of applicants in an expeditious manner.

I look forward to your response and to cooperating with your agency in this recovery operation.

Sincerely,

[*]
Governor, State of [*]

Governor's Authorized Representative
State of [*]
[Address]

Dear [*]:

This is in response to the [date] letter from [*], Governor of the State of [*], requesting that the Individual and Family Grant (IFG) Program be implemented for Presidential disaster declaration FEMA-*DR-*

The [*] State Administrative Plan for the IFG Program has been reviewed and approved in accordance with the requirements of Federal regulations at 44 CFR, 206.131. I am approving the State Administrative Plan with the understanding that amendments may be required during the course of this recovery operation. My staff will work closely with the State Grant Coordinating Officer (GCO) to implement any required amendments.

Based on the Preliminary Damage Assessment and your letter referenced above, we agree that approximately [*] IFG Program grants will be awarded at an average of \$[*] per grant. The total program cost is therefore estimated to be \$[*]. The Federal share (75 percent) of the estimated program cost is \$[*] and the State share (25 percent) of the estimated program cost is [*].

We have begun the process of transferring Federal funds through SMARTLINK. We will notify the GCO when funds become available. The first obligation of the Federal share of the program cost will total \$[*]. The State share of the program cost, \$[*], must be made available so that the State IFG Program may award grants totaling \$[*]. The State should make drawdowns from SMARTLINK for disbursements needed to make IFG Program award payments for three (3) business days only.

The State must specifically identify all Federal and State funds expended for the IFG Program in a separate State account.

Please contact [*] at [*] if you have any questions regarding this matter.

Sincerely,

[*]
Disaster Recovery Manager

Figure 2-2:

REC #	FEDERAL EMERGENCY MANAGEMENT AGENCY DISASTER ASSISTANCE REGISTRATION		Control No GF939	Privacy Act <input type="checkbox"/>	O.A.B. No 3067-0009 Expires Dec. 31, 1995	DR No
1. Name of Applicant (Last, First, MI) <input type="checkbox"/> Mr <input type="checkbox"/> Ms			2. Social Security Number		3A. Home phone number (At time of disaster)	
3B. Second home phone number (At time of disaster) <input type="checkbox"/> None		3C. Current phone number <input type="checkbox"/> Same as 3A		3D. Work or other phone number (Ask for)		4. Date of loss mo. / day / 85
5. Location of damaged property No. Street Apt./Lot # City State Zip		6. County				
7. Current Mailing Address (Same as 5) <input type="checkbox"/>		8. Description of damages / problems: <input type="checkbox"/> Furniture <input type="checkbox"/> Clothing <input type="checkbox"/> Appliances <input type="checkbox"/> Vehicle <input type="checkbox"/> Business Only				
9. Do you have any disaster-related emergency needs for food, clothing, shelter, or transportation? <input type="checkbox"/> YES (mark 60) <input type="checkbox"/> NO						
10. Damages caused by (Mark all that apply): <input type="checkbox"/> FLOODING <input type="checkbox"/> EARTHQUAKE <input type="checkbox"/> OTHER						
11. Did you have any damage to farm property, crops, livestock, outbuildings, or equipment? <input type="checkbox"/> YES (mark 55, 56) <input type="checkbox"/> NO <i>*(Does not include farm home)</i>						
12. Do you own a business or rental property which was affected by the disaster? (Not farm damage) <input type="checkbox"/> YES (mark 56, 58) <input type="checkbox"/> NO Business Name: _____						
13. Has anyone in your family lost work or become unemployed due to the disaster? (Incl. self-employed) <input type="checkbox"/> YES (mark 59) <input type="checkbox"/> NO						
14. Did you have any disaster-related medical, dental, or funeral expenses not covered by insurance? <input type="checkbox"/> YES (mark 52, 60) <input type="checkbox"/> NO						
15. (REG) Are applicant's needs limited to items 11 through 14? <input type="checkbox"/> YES (STOP, SKIP to 38) <input type="checkbox"/> NO						
16. (REG) Is auto damage OR auto damage plus items 11 through 14 applicant's only problem? <input type="checkbox"/> YES (STOP, SKIP to 30) <input type="checkbox"/> NO						
17. Names of all persons living in home at time of disaster		Relation to Applicant	Age	Applied? Y/N	Names (Continued)	
		Applicant		Y		
		Co App / Spouse				
18. Do you		19. Prim. Res.	20. Type of home		21. Current Location:	
<input type="checkbox"/> OWN <input type="checkbox"/> RENT		<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> House <input type="checkbox"/> Apartments/Multi-family Building <input type="checkbox"/> Mobile Home <input type="checkbox"/> Other		<input type="checkbox"/> Damaged Dwelling <input type="checkbox"/> Hotel/Motel <input type="checkbox"/> Mass Shelter <input type="checkbox"/> Family/Friends <input type="checkbox"/> Other	
22. Home insurance information: (Mark all types of insurance applicant has regardless of the cause of damage) <input type="checkbox"/> Flood <input type="checkbox"/> Earthquake <input type="checkbox"/> Homeowners/Renters <input type="checkbox"/> Mobile Home <input type="checkbox"/> Other <input type="checkbox"/> No Insurance						
23. Was your home destroyed by the disaster? <input type="checkbox"/> YES <input type="checkbox"/> NO						
24. Is this disaster preventing you from living in your home now? <input type="checkbox"/> YES <input type="checkbox"/> NO						
25. Have you spent money to make repairs to your home so you can live there safely? (includes access) <input type="checkbox"/> YES <input type="checkbox"/> NO						
26. Do any repairs need to be made to your home so that you can live there safely? (includes access) <input type="checkbox"/> YES <input type="checkbox"/> NO						
27. Are any of your essential utilities currently not working as a result of the disaster? <input type="checkbox"/> YES <input type="checkbox"/> NO						
28. Is there any imminent danger to your home? (e.g. undermining, landslide) <input type="checkbox"/> YES <input type="checkbox"/> NO						
29. (REG) If any of questions 23 - 28 are marked YES, go to Matrix A. If questions 23 - 28 are all marked NO, mark 45 and continue with question 30.						
30. Primary wage-earner's employer			32. Total number of dependents claimed (includes applicant)			
31. If any family income is from self-employment, mark 56, 57, STOP, SKIP to 35.			33. Pre-disaster gross income of family (a) \$ _____ per W M Y Minimum income level (b) \$ _____ 34. Is (a) larger than (b)? <input type="checkbox"/> YES (Mark 56, 57) <input type="checkbox"/> NO (Go to Matrix B)			
35. Directions to home: (Rural addresses only) From intersection of...			36. Comments:			37. Special instructions Y N
38. I have read, or had read to me, the statements on the back, and I understand them. Signature: _____			39. Date mo. / day 199__	40. DAC #	41. Registrar	42. Lead Reg.
DISASTER HOUSING (DH)		SMALL BUSINESS ADMINISTRATION (SBA) (To be completed by SBA representative ONLY)			INDIVIDUAL AND FAMILY GRANT (IFG)	
43. <input type="checkbox"/> DH APP		46. <input type="checkbox"/> SBA Home APP 48. <input type="checkbox"/> SBA APP Refused			50. <input type="checkbox"/> IFG Home/PP APP 53. <input type="checkbox"/> IFG - INS Home/PP	
44. <input type="checkbox"/> DH - INSURED		47. <input type="checkbox"/> SBA Business APP 49. <input type="checkbox"/> SBA Decline			51. <input type="checkbox"/> IFG Vehicle APP 54. <input type="checkbox"/> IFG - INS Auto	
45. <input type="checkbox"/> NO DH APP		Comments:			52. <input type="checkbox"/> M/D/F Other APP	
55. <input type="checkbox"/> Agricultural Aid		60. <input type="checkbox"/> Emergency Assist. (ARC)		65. <input type="checkbox"/> Veterans Benefits		70. _____
56. <input type="checkbox"/> Tax Assistance		61. <input type="checkbox"/> Insurance Information		66. <input type="checkbox"/> Aging Services		71. _____
57. <input type="checkbox"/> SBA Home Loans		62. <input type="checkbox"/> Legal Services		67. <input type="checkbox"/> Crisis Counseling		72. _____
58. <input type="checkbox"/> SBA Business Loans		63. <input type="checkbox"/> Consumer Services		68. _____		73. _____
59. <input type="checkbox"/> Disaster Unemployment		64. <input type="checkbox"/> Social Security		69. _____		<input checked="" type="checkbox"/> 74. <input type="checkbox"/> Exit Interview

FEMA Form 90-69, FEB 93

REPLACES ALL PREVIOUS EDITIONS

Figure 2-3: FEMA Form 90-69, "Disaster Assistance Registration"

APPLICATION SUMMARY

- #43. **DISASTER HOUSING ASSISTANCE.** In a few days, someone from the Federal Emergency Management Agency will call to make an appointment to see your damaged home. The Disaster Housing Program may help you pay for some of your repairs, or, if you have to move out, you may be able to get help to pay rent or to find another place to live.
- #44. **DISASTER HOUSING - INSURED APPLICANT.** If you have not already done so, please contact your insurance agent. We cannot make a final decision on your Disaster Housing application until you give us paperwork from your insurance company showing how much money you received. If your insurance will not cover all of your temporary living expenses, call the Disaster Information Hotline.
- #45. **NO APPLICATION FOR DISASTER HOUSING.** Based on the information you have given us, disaster housing assistance is not appropriate at this time. This is usually because the damage you have reported does not prevent you from being able to live safely in your home.

- #46. **SMALL BUSINESS ADMINISTRATION (SBA) HOME/PERSONAL PROPERTY LOAN.** You have been referred to the SBA for a disaster loan. SBA lends money to homeowners and renters to repair or replace homes and personal belongings. In order to qualify for the loan, you will need to fill out a loan application form. If you do not have an SBA form, and are not sure how to get one, contact SBA.
- IMPORTANT!**
- No work will begin on your case until the SBA receives your application
 - Even if you feel that you cannot repay a loan, you should fill out the application. The SBA will make every effort to set payment that you can comfortably afford.
 - If SBA determines that you cannot repay a loan large enough to cover your losses, your name will be referred for possible grant assistance.

- #50, #51, #52. **INDIVIDUAL AND FAMILY GRANT (IFG) PROGRAM.** Your application for the State IFG program has been accepted. The State makes cash grants for certain necessary expenses and serious needs caused by the disaster. In a few days someone will call to make an appointment to see your damaged property or arrange to obtain any necessary receipts.
- #53, #54. **INDIVIDUAL AND FAMILY GRANT (IFG) - INSURED APPLICANT.** If you have not already done so, please contact your insurance agent. We cannot make a final decision on your Individual and Family Grant application until you give us paperwork from your insurance company showing how much money you received. If your insurance will not cover all of your serious needs or necessary expenses resulting from the disaster, call the Disaster Information Hotline.

PRIVACY ACT STATEMENT

Authority: The authority to collect information regarding your application for disaster assistance is derived from the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Title 42 United States Code, Sections 5121, 5122, and Executive Order 12146, as amended.

Principle Purposes: The information is needed to determine your eligibility for disaster assistance and to refer you to the proper sources of assistance.

Routine Uses: The information will be given to agencies from which you are seeking assistance. It may also be shared with insurers of your damaged property and with other disaster assistance providers to ensure benefits are not duplicated.

Mandatory or Voluntary Disclosure: Giving us this information is voluntary; however, failure to give us the information may result in a delay or rejection of your request for disaster assistance.

NON-DISCRIMINATION STATEMENT

Federal law requires that disaster aid be given in a fair and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, handicap, or economic status. If you feel you have been denied housing for one of these reasons, or if you have been discriminated against in any other way, you may talk to the Equal Opportunity Officer by calling the Disaster Information Hotline.

PAPERWORK BURDEN DISCLOSURE NOTICE

Public reporting burden for this form is estimated to average 13 minutes per response. The burden estimate includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the form. Send comments regarding the accuracy of the burden estimate and any suggestions for reducing the burden to: Information Collections Management, Federal Emergency Management Agency, 500 C Street, SW, Washington, DC 20472; and to the Office of Management and Budget, Paperwork Reduction Project (3067-0009), Washington, DC 20503.

APPLICANT'S STATEMENT AND RELEASE

By my signature I certify that:

- All information I have given is true and correct to the best of my knowledge;
- This is the only application for my family;
- I will return any disaster aid money I receive from FEMA or the State if I receive insurance or other money for the same loss.

I understand that if I intentionally make false statements or conceal any information in an attempt to obtain disaster aid, it is a violation of Federal and State laws which carry severe criminal and civil penalties.

I authorize FEMA to verify all information given by me about my property, income, employment, and dependents in order to determine my eligibility for disaster aid; and

I authorize and direct all custodians of records of my insurance company, employer, any public or private agency, bank, financial institution or credit data service to release information to FEMA and / or the State upon request.

QUESTIONS? CALL THE FEMA DISASTER INFORMATION HOTLINE# _____

FEDERAL EMERGENCY MANAGEMENT AGENCY DISASTER ASSISTANCE REGISTRATION				Control No. W0BJ6	O.M.B. No 3067-0009 Expires Dec. 31, 1995	DR No 1023	
1. Name of Registrant (Last, First, MI) MR JONES, WILLIAM M		2. Social Security Number 000-00-0755		3A. Home phone number (800) 857-4545			
3B. Second home phone number (800) 857-2158		3C. Current phone number (800) 857-4545		3D. Work or other phone number (800) 857-1400		4. Date of loss 7/3/1994	
5. Location of damaged property	No. 1205	Street BLAYLOCK ST	Apt / Lot	City ALBANY	State GA	Zip / Zip+4 31702	6. County DOUGHERTY
8. Description of damages / properties:							
Real Damages:		Personal Damages		Auto Damage: Yes			
Electrical		Floors/Walls/Ceilings		Make: chevy			
Foundation/Masonry		Heating		Model: sierra			
Plumbing				Year: 1984			
				Auto Insurance: No			
9. Do you have any disaster-related emergency needs for food, clothing, shelter, or transportation?						Yes	
10. Damages caused by: Flood							
11. Did you have any damage to farm property, crops, livestock, or equipment?				(Does not include farm home)		Yes	
12. Do you own a business or rental property which was affected by the disaster?				(Not farm damage)		Yes	
Business Name: JONES FEED SEED							
13. Has anyone in your family lost work or become unemployed due to the disaster? (Incl self-employed)						Yes	
14. Did you have any disaster-related medical, dental, or funeral expenses not covered by insurance?						Yes	
17. Names of all persons living in home at time of disaster	Age	Relation to Registrant	Applied? Y/N	Names of all persons living in home at time of disaster	Age	Relation to Registrant	Applied? Y/N
JONES, WILLIAM M	45	Registrant	W0BJ6	JONES, BETTY L	43	Co-Reg/Spouse	No
JONES, SHARON D	17	Immed Family	No				
18. Own/Rent: Own	19. Res. Class: Yes (Primary)	20. Type of home: House - Single/Duplex		21. Current location: Damaged Dwelling			
22. Insurance information:	Homeowners (O)						
23. Was your home destroyed by the disaster? No				24. Is this disaster preventing you from living in your home now? Yes			
25. Have you spent money to make repairs to your home so you can live there safely? (includes access) Yes							
26. Do any repairs need to be made to your home so you can live there safely? (includes access) Yes							
27. Are any of your essential utilities currently not working as a result of the disaster? Yes							
28. Is there any imminent danger to your home? (e.g. undermining, landslide, etc.) No							
30. Primary wage earner's employer: JONES FEED & SEED			32. Total number of dependents claimed (includes registrant): 3				
			33. Pre-disaster gross income of family: \$ 35,000				
35. Directions to home: (Rural addresses only)							
38. I have read or had read to me, the statements on the back, and I understand them. Signature:				39. Date: 04/03/95 23:14		41. Service Rep. JPARSON	
				40. Center No. 99		42. QC ID:	
You have been referred to the following sources of disaster aid. For more information on these programs refer to the back of this form and attachments.							
DH APP Owner		M/D/F Other APP		SBA Business APP			
SBA Home APP Owner				Small Business Administration Workshop			
Agricultural Aid		Emergency Assistance (ARC)					
Tax Assistance		Disaster Unemployment Assistance					

Figure 2-4: On-line Version of Disaster Assistance Registration

APPLICATION SUMMARY

DISASTER HOUSING ASSISTANCE. In a few days, someone from the Federal Emergency Management Agency will call to make an appointment to see your damaged home. The Disaster Housing Program may help you pay for some of your repairs, or, if you have to move out, you may be able to get help to pay rent or to find another place to live.

SMALL BUSINESS ADMINISTRATION (SBA) HOME/PERSONAL PROPERTY LOAN. You have been referred to the SBA for a disaster loan. SBA lends money to homeowners and renters to repair or replace homes and personal belongings. In order to qualify for the loan, you will need to fill out a loan application form. If you do not have an SBA form, and are not sure how to get one, contact SBA.

- IMPORTANT:**
- No work will begin on your case until the SBA receives your application.
 - Even if you feel that you cannot repay a loan, you should fill out the application. The SBA will make every effort to set payments that you can comfortably afford.
 - If SBA determines that you cannot repay a loan large enough to cover your losses, your name will be referred for possible grant assistance.

INDIVIDUAL AND FAMILY GRANT (IFG) PROGRAM. Your application for the State IFG program has been accepted. The State makes cash grants for certain necessary expenses and serious needs caused by the disaster. In a few days someone will call to make an appointment to see your damaged property or to arrange to obtain any necessary receipts.

PRIVACY ACT STATEMENT

Authority: The authority to collect information regarding your application for disaster assistance is derived from the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Title 42 United States Code, Sections 5121, et seq., and Executive Order 12146, as amended.

Principle Purposes: The information is needed to determine your eligibility for disaster assistance and to refer you to the proper sources of assistance.

Routine Uses: The information will be given to agencies from which you are seeking assistance. It may also be shared with insurers of your damaged property and with other disaster assistance providers to ensure benefits are not duplicated.

Mandatory or Voluntary Disclosure: Giving us this information is voluntary; however, failure to give us the information may result in a delay or rejection of your request for disaster assistance.

NON-DISCRIMINATION STATEMENT

Federal law requires that disaster aid be given in a fair and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, handicap, or economic status. If you feel you have been denied housing for one of these reasons, or if you have been discriminated against in any other way, you may talk to the Equal Opportunity Officer by calling the Disaster Information Hotline.

PAPERWORK BURDEN DISCLOSURE NOTICE

Public reporting burden for this form is estimated to average 15 minutes per response. The burden estimate includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the form. Send comments regarding the accuracy of burden estimate and any suggestions for reducing the burden to: Information Collections Management, Federal Emergency Management Agency, 500 C Street, SW, Washington, DC 20472; and to the Office of Management and Budget, Paperwork Reduction Project (3067-0009), Washington, DC 20503.

REGISTRANT'S STATEMENT AND RELEASE

By my signature I certify that:

- All the information I have given is true and correct to the best of my knowledge;
- I have not filed additional applications for aid to cover the same loss.
- I will return any disaster aid money I receive from FEMA or the State if I receive insurance or other money for the same loss.

I understand that if I intentionally make false statements or conceal information in an attempt to obtain disaster aid, it is a violation of Federal and State laws which carry severe criminal and civil penalties.

I authorize FEMA to verify all information given by me about my property, income, employment, and dependents in order to determine my eligibility for disaster aid; and

I authorize and direct all custodians of records of my insurance company, employer, any public or private agency, bank, financial institution or credit data service to release information to FEMA and/or the State upon request.

Chapter 3:

The State Administrative Plan

This chapter describes the purpose, preparation, and minimum contents of the State administrative plan, and provides guidance for developing, pricing, and other cost guidelines contained in the plan.

1. PURPOSE

The State administrative plan (hereinafter referred to as the State plan) is the most important element in the State's preparation for implementing the IFG Program. The State is required to adopt a plan that incorporates the national IFG Program eligibility criteria and describes the State's procedures for administering the program. The Regional Director must approve the State plan before use. Once approved, the State plan must be incorporated into the State's general emergency management plan. When implementing the IFG Program, the State must adhere to the criteria and procedures specified in the plan.

2. STATE PREPARATION AND FEMA REVIEW

A. STATE PREPARATION

The State should prepare the plan, or update its existing plan, to meet current Federal and State regulations, policies, and procedures, between disasters. The State may obtain technical assistance with plan preparation from the FEMA Regional Office. The Regional Office must notify the State of regulation,

policy, and procedure changes that may necessitate updating the State plan. State officials should use FEMA Form 76-35, "Worksheet for Reviewing State Administrative Plans" (Figure 3-1), as a guide for plan preparation. The FEMA Human Services Officer or IFG Coordinator uses the form to review the State plan.

During a disaster recovery, the IFG Coordinator helps the State update the plan to reflect changes in regulations, policies, and procedures and make disaster-specific changes to the plan.

B. FEMA REVIEW

The Regional Director must review and approve the State plan each January. The Regional Director must also approve the State plan after a disaster before authorizing the obligation of Federal funds for the State's use in making IFG Program grants.

3. MINIMUM REQUIREMENTS FOR PLAN CONTENTS

Federal regulations specify only the minimum contents of the State plan. The State may include topics not specified in the regulations.

The State plan may reference, rather than include verbatim, policies and procedures described in other Federal or State documents, especially when referring to financial management documents. These documents are subject to FEMA's review.

The minimum requirements for the State plan are listed below.

Assigning grant program responsibilities to State officials or agencies. Each State agency responsible for IFG Program administration must be identified in the State plan. FEMA recommends that the mission statements of these agencies specify these responsibilities.

Notifying potential grant applicants of the availability of the program. The State must inform disaster victims about deadlines, program descriptions, and other information about applying for disaster assistance. Appropriate means of publicizing grant programs include newspapers, television and radio broadcasts, handouts, and posters. The need for bilingual materials and broadcasts must be assessed. The State plan should describe how the State will coordinate with FEMA to publicize the grant program.

Participating with FEMA in the registration of victims and the acceptance of applications. FEMA takes registrations from disaster victims, either at Disaster Application Centers (DACs) or through Teleregistration, and forwards IFG Program applications to the State as appropriate. The State may participate in the staffing and operation of DACs. The State plan should describe these activities and must describe how the State will accept applications transmitted by FEMA.

Reviewing verification data provided by FEMA and performing verifications (see Chapter 7). FEMA verifies real and personal property damage, and transportation (vehicle) damage if the applicant also has real or personal property damage. FEMA provides the verification data to the State. The State reviews these data and determines eligibility.

The State verifies damage in categories other than real and personal property and transportation (vehicle), usually by requesting documentation from the applicant. The State also verifies transportation (vehicle) needs if the applicant has no real or personal property damage. If FEMA personnel are no longer in the disaster area, the State may be responsible for verifying in cases of reconsideration, appeal, or late application.

Determining applicant eligibility and grant award amount, and notifying the applicant of the State's decision (see Chapter 7).

- **Eligibility:** National criteria for applicant eligibility and grant categories are specified in 44 CFR, Paragraph 206.131(d) and described in Chapter 4. The State plan must list the national eligibility criteria, which cannot be altered. With FEMA's approval, the State may include additional categories as eligible; these categories must be defined in the State plan.

The Associate Director, Response and Recovery Directorate, FEMA, and the Regional Director have the authority to expand the national eligibility criteria. The State plan must be amended to include any additional items or categories.

- **Award amounts:** The State determines award amounts for personal property items using price lists developed by the State and approved by FEMA. The State identifies specific personal property items and calculates prices for these items (as described later in this chapter). The plan must include a price list and data supporting the price determinations. Award amounts for other categories are determined by the State using actual costs to the applicant, as evidenced by estimates,

receipts, or other documentation. The plan must specify the types of documentation the State will accept as evidence of actual costs.

The State may establish dollar limits for some categories such as for transportation expenses. The State would not award grants in those categories that exceed the dollar limits. The plan must list these limits and describe how they were determined.

- **Grant determination and notification:** The plan must describe how the State will make grant determinations and notify the applicant by letter of the actions taken regarding his or her application. FEMA provides the State with notification letters in electronic format. However, if the State intends to use notification letters other than those provided by FEMA, examples of these letters must be given in the plan.

Determining requirements for flood insurance (see Chapter 5). Federal regulations require flood insurance purchase under certain circumstances. The State plan should specify how the State will verify the need for flood insurance, the amount that may be awarded to cover the cost of the first year's premium, and how the State will obtain proof of purchase of the insurance.

Preventing duplication of benefits (see Chapter 6). The State must ensure that the assistance awarded by the IFG Program does not duplicate the assistance provided by voluntary agencies, insurance, the Disaster Housing Program, or the Small Business Administration. The State plan must specify how the State will prevent duplication of benefits.

Reconsiderations (see Chapter 7). The State may examine new evidence or other material identified by the applicant that could change the State's decision. Reconsideration may be implemented at the State's discretion.

The State may reconsider grant approvals and denials based on either verbal or written requests from applicants. The State plan must assign responsibility and describe procedures for reconsideration.

Appeals (see Chapter 7). Federal regulations require the State to establish a formal process for hearing appeals of the State's determinations. The plan must:

- establish an impartial person or board to process appeals (the appeal authority must not be the same person or persons who made the grant decision that prompted the appeal);
- describe how applicants may submit written appeals and oral or written evidence supporting their appeals (the plan must describe how oral evidence will be accepted and documented);
- establish specific time frames for processing appeals, as mandated by Section 423 of the Stafford Act (see Chapter 7); and
- provide for records of determinations and responses to the appellants.

Disbursing grants promptly (see Chapter 7). The State plan must describe how the State will disburse grants, including functions of each State office responsible for any portion of fund disbursement. Examples include: the agency administering the IFG Program; the State treasurer or other fiscal

authority; and emergency management agency. The time frame for disbursement must be identified.

Using random sampling to verify that funds are meeting applicants' needs, are not duplicating assistance from other means, and are meeting floodplain management and flood insurance requirements (see Chapter 9). The State plan must define the parameters of the sampling. The plan should also define the actions to be taken if a significant (usually 25 percent or more) number of cases contain errors or require recoupment.

Recovering grant funds (see Chapter 8). The State plan must specify the State's recoupment procedures, name agencies with recoupment responsibility, and identify the responsibilities of those agencies. The State must attempt to recover the funds from the grant recipient if the grant was:

- obtained fraudulently;
- misapplied;
- found to duplicate assistance provided by other means; or
- awarded for repair or replacement of real and personal property in a special flood hazard area, and the recipient failed to provide proof of flood insurance purchase.

Under Section 314 of the Stafford Act, the Federal Government and the State may impose criminal and civil penalties in cases of fraud, false claims, and theft of funds awarded through the IFG Program and in cases of criminal activity on

the part of State employees engaged in the administration of the IFG Program (see Chapter 10). Accordingly, the State Grant Coordinating Officer (GCO) must report all such cases to the FEMA Disaster Recovery Manager and State Coordinating Officer within 20 working days of their discovery. The State plan must identify the State's procedures for complying with this requirement.

Conducting State audits in compliance with the Single Audit Act of 1984 (see Chapter 10). The Single Audit Act requires that States receiving Federal assistance greater than a specified amount conduct organization-wide audits annually, or as specified by State law. The plan should describe how the State will apply this requirement to the IFG Program. Regulations governing compliance with the Single Audit Act are found in 44 CFR, Part 14, "Audits of State and Local Governments."

Reporting to the Regional Director or Federal Coordinating Officer (FCO). At minimum, the State must submit the Status Report (FEMA Form 76-28) and Final Statistical Report (FEMA Form 76-29), as specified in Chapter 9. However, the State may be required to submit additional reports at the direction of the Regional Director or FCO. Any special reports should be outlined in the State plan.

Complying with applicable Federal requirements for grants and claims; the State's debt collection procedures; and all applicable Federal laws and regulations. The State must administer the IFG Program in conformance with Federal regulations governing grants to States, as described in 44 CFR, Part 13, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments."

State procedures for recovering funds must be in compliance with Federal regulations regarding claims, as described in 44 CFR, Part 11.

Specifying time limitations for administering the program (see Chapter 2). Time limitations for administering the IFG Program are specified in 44 CFR, Paragraphs 206.131(j) and (k), and in Section 423 of the Stafford Act. The State plan must reference these limitations.

Identifying and accounting for IFG Program funds. The State plan must describe procedures for specifically identifying Federal and State funds committed to the IFG Program. The State must account for IFG Program funds separately from other funds in the State's accounts and funds for any other IFG Program being administered by the State. The State must also identify program administrative costs, some or all of which may be eligible for reimbursement.

Safeguarding the privacy of applicants and the confidentiality of information. The State plan must reference the Privacy Act of 1974 (see 44 CFR, Part 6) and any State laws regarding privacy, and must define situations in which applicant information may and may not be released.

The State must agree to protect applicable disaster information in accordance with the Privacy Act. If there is a conflict between State and Federal law, the Federal Privacy Act prevails, and the State may not release information generated or obtained by FEMA.

The State should adhere to the following guidelines to protect the privacy of applicants:

- The State may release applicant names, addresses, and award amounts to Federal, State, local, or volunteer agencies administering disaster assistance programs to prevent duplication of benefits, for Federally funded crisis counseling programs, and for buy-out and relocation programs.
- The State may not release applicant information to organizations seeking information to conduct outreach, canvassing, and referral programs, or for other uses. The State may only release this information if the applicant authorizes release of the records.
- The State may not release to a third party information not provided to the applicant, such as the inspection report.
- The State may not release applicant information to Federal, State, or local law enforcement agencies. If the State receives a request for information from a law enforcement agency, the State must refer the agency to the Regional Director.
- The State may release applicant information to the State agency responsible for conducting an audit of the IFG Program, or to any Federal audit agency.

Defining the roles and responsibilities of management personnel and IFG Program staff members, the sources of staff to fill these positions, and oversight responsibilities. This information must be included in the plan so that duplication of effort is avoided, all participating officials are aware of their responsibilities, and FEMA is provided with a list of contacts for coordination

of operations. A clear statement of responsibilities will enable the State and FEMA to correct problems at the appropriate levels.

The responsibilities of the personnel listed below should be defined.

- **Governor's Authorized Representative (GAR).** In some States, the GAR is assigned all duties involving funding, including accounting for funding, requesting additional funds, and budgeting. In other States, the GCO may be assigned these roles. The GAR is also responsible for requesting program extensions.
- **Department head responsible for the IFG Program.** This person may or may not be the GCO. If this person is the official GCO, but another person in the department actually performs the functions, a description of the exact functions of each is necessary. For example, the department head may hire temporary IFG Program employees, while the acting GCO trains and supervises employees and establishes operational procedures.
- **GCO.** The GCO is the person to whom the Regional Director looks for management, coordination, staffing, monitoring, problem identification and correction, training, and timeliness of program operations. It is important that the GCO communicates with the FEMA Human Services Officer or IFG Coordinator and issues appropriate policy and procedural guidelines to the IFG Program staff.
- **IFG Program Manager.** If the titled GCO delegates his or her day-to-day responsibilities to a program manager, the delegated functions should be specified in the State plan.

4. PRICING AND OTHER COST GUIDELINES

FEMA relies on the State to develop a list of personal property items, and prices for those items, that are eligible for IFG Program grants. FEMA's inspectors use this list during damage verification to determine applicants' personal property needs, and the State uses the prices to determine award amounts.

The State must include a price list and supporting documentation in the State plan. Supporting documentation should include the methodology for arriving at prices, with worksheets. The plan should also specify the method for determining awards for other categories, such as medical, dental, funeral, and transportation expenses, including maximum allowable awards, if applicable. Eligible categories are defined and described in Chapter 4.

The prices developed for the State plan must be consistent with the IFG Program mandate for meeting an applicant's necessary expenses and serious needs and must be consistent with average local prices. The price list and supporting documentation must be approved by the Regional Director and is subject to audit.

The purpose of the price list may be misunderstood. Therefore, FEMA recommends that the State limit the distribution of the price list and supporting documentation.

Time frame for delivery of the price list. The price list must be updated annually and when a disaster occurs. When the President makes a Federal disaster declaration, it is critical that the State forward an updated price list to the IFG Coordinator as quickly as possible. FEMA may begin inspections within 24 hours of a disaster declaration, and FEMA must update its database and the software used by the inspectors to reflect the State's current list of eligible personal property items.

A. PRICING FOR REAL PROPERTY

FEMA and the State use the same dollar amounts for all inspection items in the real property category because these items are generally applicable to both the Disaster Housing and IFG Programs. Real property prices, including prices for access, cleaning and sanitation, debris removal, and hazard mitigation, are determined by FEMA based on a review of actual material and labor costs in the disaster area. Following coordination with the State, real property prices are incorporated into FEMA's database during recovery setup procedures.

B. PRICING FOR PERSONAL PROPERTY

The State determines the personal property items considered to be necessary expenses and serious needs and sets prices for these items. Prices must be determined for furnishings, appliances and mechanical devices, and clothing.

The State's list of items and prices must be approved by the Regional Director. As stated in Chapter 1, the IFG Program is not intended to be an indemnification program. The IFG Program addresses only an applicant's necessary expenses and serious needs, and does not award grants to restore all of an applicant's personal property to its pre-disaster condition. However, the State must set prices so that the applicant can replace eligible lost or damaged personal property with items purchased at reasonable amounts.

Furnishings. Grants for furnishings are not awarded on an item-by-item basis. Rather, the State determines the contents of a standard room and on that basis sets a price for that room. A "room" is not comprised of walls, windows, nor fixtures, but of the items within the room that are deemed necessary expenses

and serious needs. For example, a bathroom may consist of toiletries, cleaning supplies, and bath linens for four people. Examples of typical rooms are:

- Living room or family room (but not both): sofa, chair(s), end and coffee tables, lamp(s), and window coverings;
- Kitchen: dishes, glasses, and flatware for six people; pots, pans, and other cooking utensils; an iron and ironing board; cleaning supplies; linens; and small appliances such as a coffee maker;
- Dining room: table and chairs for four people;
- Bedroom: double bed, including frame, box spring, and mattress; dresser; nightstand; lamp; bed linens; blankets; pillows; and window coverings; and
- Infant bedroom: crib, highchair, and changing table.

The State may determine that a table and chairs for dining are awarded as part of the kitchen. If so, an additional award for a dining room should not be made.

Grants for bedrooms are based on the number of occupied bedrooms in the house, as recorded by FEMA's inspector. However, a single bedroom may have more than one occupant. The State may award funds for the purchase of beds, sheets, and blankets to meet the needs of the additional occupants.

The rooms and items listed above are examples. Each State is responsible for designating eligible rooms and identifying the items within each room that are considered necessary expenses and serious needs.

During damage verification, the inspector identifies the level of damage to the contents of each room, using the following codes:

- X = items are repairable;
- Y = some items are repairable; others need to be replaced;
- Z = replace all (the total price of the contents of the room should be awarded); and
- NA = items not affected.

The "X" and "Y" codes represent percentages of "Z" and are used when the inspector determines that all items in the room do not need to be replaced. Based on the "Z" amount, which represents the total allowance for the items in each room, the State determines the "X" and "Y" percentages of damage and calculates the corresponding amounts. For example, the State may determine that "X" is equal to 25 percent and "Y" is equal to 50 percent of the amount set for "Z." The following example illustrates this concept.

Total allowance for a living room (equal to "Z")	-	\$1,700
State determines that "Y" is equal to 50 percent of "Z." Inspector identifies A "Y" level of damage for living room	-	\$ 850
Amount of grant award for living room	-	\$ 850

Clothing. Only one amount (the total replacement value of "Z") is established for clothing. The State identifies the clothing items deemed as serious needs for an adult and calculates the total amount for replacement of these items. When the inspection indicates clothing needs, the State must award the same amount for each person with a need regardless of age and gender.

Major appliances and mechanical devices. Awards in this category are based on whether the items are repairable or destroyed. The State determines the major appliances and mechanical devices deemed necessary expenses and serious needs and sets two prices for each: a price for repair of the item ("X") and a price for replacement of the item ("Z"). Major appliances and mechanical devices that may be considered eligible include the following:

- range;
- microwave (usually awarded if it is the sole source of cooking);
- refrigerator;
- freezer;

- washer;
- dryer;
- telephone;
- television;
- portable space heater;
- air conditioner;
- electric fan;
- vacuum cleaner;
- lawn mower;
- motorcycle helmet; and
- infant car seat.

Durable medical equipment, such as a wheelchair, which was owned by an applicant before the disaster also falls into this category.

The State must determine which major appliances and mechanical devices constitute necessary expenses and serious needs. The list of appliances and devices may vary from State to State. For example, a State may consider a

freezer necessary for food storage in a rural area or an air conditioner necessary in a consistently hot area.

C. PRICING PROCEDURES AND DOCUMENTATION

The information below refers to developing prices for personal property items, but may be applied to items in other categories if necessary.

Procedures. The State must determine prices for personal property items by obtaining prices from at least three different retail sources and determining the fair market average for each item. Prices may be developed using the worksheets shown in Figures 3-2, 3-3, 3-4, 3-5, 3-6, 3-7, and 3-8.

The State must provide the following documentation to support the price list:

- a list of the items selected;
- the names of retail sources consulted for the survey of prices, and an explanation of why those sources were chosen;
- the prices provided by each retail source;
- the X, Y, and Z determinations for each category; and
- the methodology (calculations, rationale, and worksheets) used to arrive at the final prices and the X, Y, and Z determinations.

The State must keep pricing documentation for 3 years after an IFG Program is closed, in accordance with 44 CFR, Part 13, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments."

D. OTHER CATEGORIES

Cost information pertaining to any other eligible categories must be discussed in the State plan. If grant award determinations are based on documentation provided by the applicant, the State should be satisfied that costs are reasonable for the disaster area.

The discussion below pertains to cost information only. The eligibility of specific items in these categories is discussed in Chapter 4.

Dollar limits. The State may establish dollar limits for certain categories, based on reasonable costs. For example, the State may determine that a grant of \$5,000 is sufficient to cover the replacement cost of a vehicle. The State would not award a grant exceeding \$5,000 for the repair or replacement of a vehicle. This cap differs from the regulatory cap on IFG Program grants, which limits the total amount the State may award to a single applicant in each disaster recovery operation (see Chapter 1).

Essential tools. This category includes tools, specialized or protective clothing, and equipment that are required by an employer as a condition for employment and books, equipment, and supplies used for education and reference. The State may use the actual cost of replacement of these items to determine the grant award, with the applicant providing estimates or paid receipts.

The State may establish dollar limits for tools based on reasonable costs. Professional organizations, trade unions, employers, and schools may be contacted to develop equipment lists and to establish reasonable costs.

Cleaning, repairing, moving, and storage expenses. The State may use actual costs for cleaning, repairing, moving, and storing eligible personal property items to determine the amount of the grant award. The applicant must provide estimates or receipts.

Transportation. The State plan must specify grant award guidelines for transportation needs. The basis for the grant award for repairs to a vehicle is usually an estimate or receipt submitted by the applicant. For replacement of a vehicle, the actual cost of the replacement can be used, or the State may establish a dollar limit. FEMA recommends that the State award a grant that is no greater than half the maximum allowable IFG Program grant for vehicle replacement. As an alternative, the State may use the National Automobile Dealers' Association "blue book" value for a 3-year old compact car to establish a maximum allowable amount.

The State may establish dollar limits for alternative sources of transportation, such as bicycles or public transportation. For public transportation, the State should establish a reasonable time frame for which it will pay the cost of public transportation.

Medical and dental expenses. Grant awards are based on actual costs for items or services. The applicant must provide estimates or receipts.

Funeral expenses. Grant awards are based on actual costs determined using estimates and receipts submitted by the applicant. The State plan should define

which expenses are eligible. The State may establish a dollar limit, based on reasonable costs, for grant awards in this category.

Estimates. The costs of estimates for medical, dental, and funeral services and for vehicle repairs may be eligible. Grant awards are based on actual costs determined by using receipts provided by the applicant.

"Other" items. The State must include prices and, as necessary, dollar limits for "other" items not specifically mentioned in the national eligibility criteria but determined to be eligible through an agreement with FEMA.

E. SUGGESTIONS FOR THE STATE IFG PROGRAM MANAGER

The following suggestions may be useful in developing the State price list and other cost guidelines. The list is not intended to be comprehensive; the IFG Program Manager should consult with the FEMA Regional Office for further guidance.

- *The State should include personal property items that may not be considered necessary expenses and serious needs on a national basis. For example, a space heater may be a serious need in Alaska, while an air conditioner may be a serious need in Florida. Additionally, State laws and local codes must be considered.*
- *The State may use changes in the Consumer Price Index to adjust the price list when submitting the State plan to the Regional Director for approval each January.*

- *Geographic or cultural factors should be considered.* For example, the prices in urban and rural areas may vary, or funeral expenses may vary depending on local customs.
- *Geography or other factors may dictate single-source pricing.* For example, a group of applicants may reside in a remote area with only one retail source, and other sources may not be located within reasonable traveling distance. Single-source pricing must be carefully justified and documented.
- *When determining prices, sales tax and delivery charges should be included.*

FEDERAL EMERGENCY MANAGEMENT AGENCY
**IFG CROSS-REFERENCE FOR WORKSHEET FOR PREPARING
 AND REVIEWING STATE ADMINISTRATIVE PLANS**

O.M.B. No. 3067-0146
 Expires October 31, 1997

SAMPLE

PUBLIC REPORTING BURDEN DISCLOSURE NOTICE

Public reporting burden for this form is estimated to average 2.5 hours per response. The burden estimate includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the form. Send comments regarding the burden estimate or any aspect of the collection, including suggestions for reducing the burden, to: Information Collections Management, Federal Emergency Management Agency, 500 C Street, S.W., Washington, DC 20472; and to the Office of Management and Budget, Paperwork Reduction Project (30657-0146), Washington, DC 20503.

STATE	ANNUAL REVIEW	FEMA-	-DR	DATE SUBMITTED	DATE RECEIVED
REVIEWER					DATE REVIEWED

	PAGE	SECTION	MEETS REQUIREMENTS	
			YES	NO

PURPOSE STATEMENT FOR PLAN

Why plan exists?				
Who is responsible for plan development and maintenance?				
Is plan part of State Emergency Plan?				
Requirement to approve annually?				
Requirement to approve after declaration?				

AUTHORITIES, REFERENCES, DELEGATIONS

PL 93-288, Section 411, Individual and Family Grant Program				
PL 93-288, Section 306, Nondiscrimination in Disaster Assistance				
PL 93-288, Section 312, Duplication of Benefits				
PL 93-288, Section 313, Standards and Reviews				
PL 93-288, Section 314, Criminal and Civil Penalties				
PL 93-288, Section 318, Audits and Investigations				
PL 93-288, Section 423, Appeals of Assistance Decisions				
PL 93-234, Flood Disaster Protection Act				
PL 103-325, National Flood Insurance Reform Act 1994, Section 521, Nonwaiver of Flood Purchase Requirement for Receipts of Federal Disaster Assistance				
PL 103-325, Section 582, Prohibited Flood Disaster Assistance				
Executive Order 11988, Floodplain Management				
Executive Order 11990, Protection of Wetlands				
FEMA Regulations, 44 CFR, Part 9, Floodplain Management				
FEMA Regulations, 44 CFR, Part 10, Environmental Considerations				
FEMA Regulations, 44 CFR, Part 11, Claims				
FEMA Regulations, 44 CFR, Part 13, Uniform Administration Required for Grants and Cooperative Agreements to State and Local Governments				
FEMA Regulations, 44 CFR, Part 14, Administration of Grants: Audits of State and Local Governments				
FEMA Regulations, 44 CFR, 206.131, IFG				
FEMA IFG Handbook				
National Eligibility Criteria [44CFR 206.131 (d)]				

FEMA Form 76-35, APR 85 **SAMPLE** REPLACES ALL PREVIOUS EDITIONS.

Figure 3-1: FEMA Form 76-35, "Worksheet for Reviewing State Administrative Plan"

	PAGE	SECTION	MEETS REQUIREMENTS	
			YES	NO
AUTHORITIES, REFERENCES, DELEGATIONS (continued)				
State Authorities Authorizing IFG Implementation				
- Receipt, accountability and expenditure of funds				
- Emergency hiring, purchasing, spending				
- Operational and/or organizational authorities				
- Recovery of funds, debts collection				
- Audit under the Single Audit Act				
- Investigation and prosecution of cases of theft, fraud, etc.				
- Privacy				
- Criminal and civil penalties				
- Agreements with private organizations				
- Other Authorities				
Delegations of Authority				
PROGRAM DESCRIPTION/ASSUMPTIONS				
Description of IFG program				
Relationship to other programs				
Definitions used in plan				
Description of privacy provisions				
Description of nondiscrimination provisions				
Description of civil and criminal penalties and operations				
MANAGEMENT AND STAFFING REQUIREMENTS				
Identification and responsibility description of management positions				
- GAR				
- GCO				
- IFG Program Manager				
- Department head responsible for IFG program				
Responsibility for appointing staff positions				
Identification and responsibility description of management positions				
- Clerical workers				
- Panel members				
- Appeal authority				
- Verification workers (medical, dental, funeral, appeals)				
- Inspections reviewers				
- Trainers				
- Preparers of funding documents (SMARTLINK, recovery of funds, final voucher)				
- Disbursement staff				
- Report preparers				
- Quality assurance staff				
- Auditors				

SAMPLE

Figure 3-1: FEMA Form 76-35,
"Worksheet for Reviewing State Administrative Plan"

SAMPLE

	PAGE	SECTION	MEETS REQUIREMENTS	
			YES	NO
MANAGEMENT AND STAFFING REQUIREMENTS (continued)				
- Public information staff				
Organizational chart				
State policy on hiring/overtime				
PROGRAM IMPLEMENTATION PROCEDURES				
Initiation of program (damage assessment, program request)				
Funding				
- Request obligations				
- Request administrative costs advance				
- Bank accounts				
- Accounting				
- Repayment				
Notification/Public information				
Application-taking (FEMA role)				
Verification (FEMA role)				
Verification (State role)				
Special proof of ownership				
Eligibility determinations, panel role				
Eligibility determinations, reviewer's role				
Grant award determination, panel and clerical				
Disbursement (function/time frame)				
Flood insurance requirements past and present				
Flood insurance recordkeeping				
Reconsiderations and appeals				
Reporting				
- Status report				
- Final statistical report				
- Check disbursement information				
Recovery of funds				
- Debt collection				
- Demands letters				
- Involvement of State Attorney General				
Referral/Office of Inspector General-Office of Investigations				
Time limitations/extensions				
Quality Assurances (random sample)				
Audit/final voucher/final payment				
APPENDICES				
(1) Detailed processing of applications				
(2) IMS systems				

SAMPLE

Figure 3-1: FEMA Form 76-35,
"Worksheet for Reviewing State Administrative Plan"

PERSONAL PROPERTY/FURNISHINGS
PRICING WORKSHEET

Definitions

X = items are repairable = _____%

Y = some items are repairable; others need to be replaced = _____%

Z = replace all = 100%

Bedrooms				
<u>Store</u>	<u>1.</u>	<u>2.</u>	<u>3.</u>	<u>Average</u>
Mattress, Spring, and Frame (Double)				
Chest of Drawers				
Nightstand				
Lamp				
Window Coverings				
Linens (Sheets & pillow cases) (Double)				
Pillows (Set of two)				
Blanket (Double)				
Mirror				
Other (Specify)				
Other (Specify)				
Other (Specify)				

TOTAL = \$ _____ = Z

_____% = \$ _____ = Y

_____% = \$ _____ = X

Figure 3-2: Pricing Worksheet

PERSONAL PROPERTY/FURNISHINGS
PRICING WORKSHEET

Definitions

- X = items are repairable = ____%
- Y = some items are repairable; others need to be replaced = ____%
- Z = replace all = 100%

<u>Dining Area</u>				
<u>Store</u>	<u>1.</u>	<u>2.</u>	<u>3.</u>	<u>Average</u>
Dining Table (with chairs for four)				
Other (Specify)				

TOTAL = \$ _____ = Z

____% = \$ _____ = Y

____% = \$ _____ = X

<u>Living Room</u>				
<u>Store</u>	<u>1.</u>	<u>2.</u>	<u>3.</u>	<u>Average</u>
Sofa				
Two Chairs				
Two End Tables				
Two Lamps				
Window Coverings				
Other (Specify)				

TOTAL = \$ _____ = Z

____% = \$ _____ = Y

____% = \$ _____ = X

Figure 3-3: Pricing Worksheet

PERSONAL PROPERTY/FURNISHINGS
PRICING WORKSHEET

Definitions

X = items are repairable = ____%

Y = some items are repairable; others need to be replaced = ____%

Z = replace all = 100%

<u>Bathroom</u>				
<u>Store</u>	<u>1.</u>	<u>2.</u>	<u>3.</u>	<u>Average</u>
Linens (Four sets of towels)				
Medicine Cabinet with Mirror				
Shower Curtain				
Other (Specify)				
Other (Specify)				

TOTAL = \$ _____ - Z

____% = \$ _____ - Y

____% = \$ _____ - X

Figure 3-4: Pricing Worksheet

PERSONAL PROPERTY/FURNISHINGS
PRICING WORKSHEET

Definitions

X = items are repairable = ____%

Y = some items are repairable; others need to be replaced = ____%

Z = replace all = 100%

<u>Kitchen</u>				
<u>Store</u>	<u>1.</u>	<u>2.</u>	<u>3.</u>	<u>Average</u>
Toaster				
Cookware				
Coffee Maker				
Iron and Ironing Board				
Glasses (for six)				
Flatware (for six)				
Dinnerware (for six)				
Linens				
Other (Specify)				
Other (Specify)				
Other (Specify)				

TOTAL = \$ _____ - Z

____% = \$ _____ - Y

____% = \$ _____ - X

APPLIANCES/MECHANICAL DEVICES
PRICING WORKSHEET

Definitions

X ** repairable = ___%

Z ** replace = 100%

Appliances/Mechanical Devices						
<u>Store</u>	<u>1.</u>	<u>2.</u>	<u>3.</u>	<u>Average</u>	<u>X</u>	<u>Z</u>
Range						
Microwave						
Refrigerator						
Freezer						
Washer						
Dryer						
Telephone						
Television						
Portable Space Heater						
Air Conditioner						
Electric Fan						
Vacuum Cleaner						
Lawn Mower						
Infant Car Seat						
Other (Specify)						
Other (Specify)						
Other (Specify)						

Figure 3-6: Pricing Worksheet

ADDITIONAL BEDS
PRICING WORKSHEET

Additional Beds				
<u>Store</u>	<u>1.</u>	<u>2.</u>	<u>3.</u>	<u>Average</u>
Mattress Spring, and Frame (Single)				
Linens (Sheets & pillow cases) (Single)				
Blanket (Single)				
Pillow				

TOTAL - \$ _____

Infant Bed				
<u>Store</u>	<u>1.</u>	<u>2.</u>	<u>3.</u>	<u>Average</u>
Crib (Including mattress)				
Sheets				
Blanket				

TOTAL - \$ _____

Chapter 4:

Eligibility Criteria and Grant Categories

The State awards IFG Program grants based on national eligibility criteria established by Federal regulations for the IFG Program. The national eligibility criteria consist of two parts: conditions that the applicant or family must meet to be eligible for the program, and eligible and ineligible categories of expenses. This chapter describes these criteria.

1. SOURCES OF REQUIREMENTS GOVERNING ELIGIBILITY

National eligibility criteria are described in 44 CFR, Paragraph 206.131(d). These criteria must be applied for disasters in all States. A State's administrative plan must specifically mention these criteria. When preparing a plan, the State may request that the Regional Director approve the eligibility of additional items and categories. The State plan, with its adherence to national eligibility criteria and specification of any additional eligible items and categories, is the State's source for guidance when determining eligibility.

While determining eligibility, the State may encounter unusual situations that are not covered by the State plan. Examples of unusual situations are discussed below.

2. ELIGIBILITY CRITERIA

Section 206.131 of 44 CFR has been included in this handbook as Appendix A. Refer to Paragraph 206.131(d) for the complete list of eligibility criteria.

A. CONDITIONS TO BE MET BY THE INDIVIDUAL OR FAMILY

The individual or family representative must apply to all applicable government disaster programs for assistance to meet a necessary expense or serious need, and be determined unqualified for such assistance, or demonstrate that the assistance received does not satisfy the total necessary expense or serious need.

Applicable sources of assistance include insurance, the Disaster Housing Program, and the Small Business Administration (SBA) (see Chapter 6).

The applicant must file a claim against any applicable insurance policies. The State must consider insurance proceeds when determining the amount of grant awards.

FEMA automatically refers applicants who need rental assistance or assistance with home repairs to the Disaster Housing Program. The State may award IFG Program grants for real property needs not met by the Disaster Housing Program.

An applicant must first apply to SBA to obtain assistance for real and personal property and transportation (vehicle). FEMA automatically refers qualified applicants to SBA using the income test administered during registration (see Chapter 7). If FEMA refers an applicant to SBA, the State must wait until SBA determines eligibility before considering an IFG Program grant for the applicable categories. If SBA makes a loan, but the loan is insufficient to meet the applicant's verified necessary expenses and serious needs, then the State may award an IFG Program grant for the unmet needs.

The applicant is not required to apply to any other governmental program or voluntary organization, such as the American Red Cross (ARC), for assistance.

The applicant must not have received or refused assistance from other means for the specific necessary expense or serious need, or portion thereof, for which application is made. This statement relates to duplication of benefits, which is discussed in Chapter 6. A family cannot receive a grant for a necessary expense or serious need if that expense or need has been met through other means of assistance, such as insurance, an SBA loan, or assistance provided by a voluntary agency, such as ARC. Expendable items, such as clothing, food, and blankets (see Chapter 6), are not considered a duplication of benefits.

If an applicant refuses an SBA loan, he or she is not referred to the IFG Program. If an applicant refuses other assistance or refuses to make a claim against his or her insurance, he or she is ineligible for IFG Program grants in which the refused assistance or insurance applies.

The applicant must certify to refund to the State that part of the grant for which assistance from other means is received, or which is not spent as identified in the grant award document. By signing the registration form, the applicant certifies that he or she will return to the State any assistance that is duplicated by insurance or other means of assistance.

When notifying an applicant of a grant award, the State must inform the applicant that the grant must be used to purchase items or services that are eligible under the IFG Program. If the State determines that the applicant used the award for an ineligible purpose, the State must attempt to recover the grant funds (see Chapter 8).

Residency requirements. The State may not deny IFG Program assistance to a person solely because that person is not a citizen of the United States, a resident of the State in which the disaster has occurred, or a resident of the designated disaster area. Applicants are not required to show documentation of citizenship status to obtain IFG Program assistance. If a man from Canada is hospitalized due to injuries sustained during a flood in Scranton, Pennsylvania, the applicant's medical expenses may be eligible under the IFG Program.

An applicant is required to provide documentation of residency before receiving a grant for assistance in the real property category. To obtain a grant for real property, the applicant must prove that he or she owns and occupies the damaged home and uses the home as his or her primary residence. Ownership, occupancy, and primary residency are described below.

B. FLOOD INSURANCE AND FLOODPLAIN MANAGEMENT REQUIREMENTS

The Flood Disaster Protection Act of 1973 and the National Flood Insurance Reform Act of 1994 impose restrictions on the approval of Federal financial assistance for repair or replacement of real and personal property in Special Flood Hazard Areas (SFHAs). The State must apply these restrictions to the IFG Program when determining eligibility and awarding grants. The application of these restrictions to the IFG Program, and other flood insurance and floodplain management considerations, are described in Chapter 5.

3. ELIGIBLE CATEGORIES

A "serious need" is described in 44 CFR, Section 206.131 as a requirement for an item or service essential to an individual or family to prevent, mitigate, or overcome a

disaster-related hardship, injury, or adverse condition. A "necessary expense" is defined as the cost of a serious need. The IFG Program helps disaster victims meet necessary expenses and serious needs by providing assistance for the purchase of essential items or services in the following categories:

- real property;
- personal property;
- transportation;
- medical and dental expenses;
- funeral expenses; and
- other categories specified in the approved State administrative plan.

A necessary expense or serious need is not restricted to an incurred loss. An applicant may have a need that is not a replacement of a lost or damaged item. The examples given below illustrate this concept.

- A disaster occurs in a town with only one laundromat, which is destroyed. The owner has no intention of rebuilding. A family with five children, whose house was also damaged during the disaster, depended on the laundromat prior to its destruction. A washer and dryer may be eligible for this family even though the family did not own these items before the disaster.
- An applicant suffers an injury during a disaster that causes her to be restricted to a hospital bed at home. The hospital bed may be eligible, even though the applicant's residence may not have sustained damage.

- An applicant becomes unemployed because of a disaster. He obtains a job requiring him to purchase tools and a uniform. Although the applicant did not own these items before the disaster, they may be considered eligible.

The allowance principle. An applicant may spend his or her grant award freely for items and services that are included in the range of eligible categories. The applicant may use the grant to purchase more expensive items in one category and a less expensive items in another. However, the applicant may not use the grant for ineligible items or services.

The allowance principle applied to mobile homes. An applicant may use IFG Program grant awards for real and personal property to purchase or provide a down payment on a mobile home. This includes the cost of developing the mobile home site, towing and setting up the home, and connecting to utilities. Personal property grants may be used when mobile homes include furnishings and appliances. The applicant need not have owned the pre-disaster residence to use a personal property grant to purchase a mobile home.

The allowance principle applies regardless of whether the applicant purchases a mobile home from a commercial seller or from FEMA.

A. REAL PROPERTY

The State may award IFG Program grants for real property when the home is owner-occupied and is the applicant's primary residence. This category includes grants to:

- repair, replace, and rebuild the residence, including costs associated with a mobile home (developing a mobile home site, towing, connecting to utilities and setting up the home);

- provide access to the residence (including repair or replacement of private roads or bridges serving one or more than one family);
- clean and sanitize the residence;
- remove debris if the debris constitutes a health or safety hazard to the residents or threatens to cause additional damage to the residence;
- provide minimal measures to protect against the immediate threat of damage (including moving mobile homes to prevent or reduce damage); and
- implement hazard mitigation measures.

Occupancy and primary residency. To be eligible for an IFG Program grant for real property, the applicant must demonstrate the following:

- **Occupancy:** the applicant occupied the home at the time of the disaster, or the applicant was moving to the residence when the disaster struck.
- **Primary residency:** the applicant occupies the residence for more than 6 months a year, or the applicant was moving to the residence when the disaster struck.

The State should determine eligibility for applicants in the process of moving on a case-by-case basis. When making this determination, the State may consider the following factors:

- the applicant sold or gave a lease termination notice at the previous residence;
- the damaged residence was under construction at the time of the disaster; or
- the local government had issued a certificate of occupancy at the damaged dwelling or the utilities were connected, or both, before the disaster.

Recreational, vacation, or income-producing property does not qualify as a primary residence. Evidence of occupancy and primary residency includes current phone or utility bills, and statements from neighbors, local officials, or the mail carrier.

Ownership. There are several definitions of home ownership, which are described below.

- **Legal ownership:** the legal owner of a house is the person who holds the deed or mortgage to the property. Proof of legal ownership may be notation of the book, page, and recording or reception number of the deed to the residence in local or county records; or evidence of mortgage payments by the applicant. If joint ownership exists, all the owners must be named on the documentation. States may accept an applicant's current homeowner's or flood insurance policy, or both. If applicable, the State must specify the acceptance of these documents in its administrative plan.
- **Rent-free occupancy:** the occupant of the house does not hold formal title to the residence, but pays taxes, maintains the house, and pays no

rent. Evidence of such occupancy includes tax records or receipts, bills for utility usage (a customer charge for maintaining nonuser service would be unacceptable), and evidence of repair bills paid by the applicant for general upkeep or maintenance.

- **Beneficial ownership:** the occupant of the house has lifetime occupancy rights even though the formal title is vested in another. To prove this kind of ownership, the applicant must provide a notarized statement from the legal owner or a representative of the owner's estate, or a copy of the deed.
- **Other considerations:** in some areas, such as Puerto Rico, formal land records may not exist. The State Attorney General, or the equivalent official in the jurisdiction in question, must approve a set of conditions to prove ownership that are applicable to the jurisdiction. This provision should be specified in the State plan.

An applicant who cannot provide the requested documentation of ownership cannot be determined to be the legal owner of the residence. The State must consider the applicant a renter and may not award an IFG Program grant for real property.

Verification. FEMA verifies ownership, occupancy, and residency and provides the information to the State.

FEMA verifies real property damage during inspection of the applicant's property. The following conditions apply to assistance for real property damage:

- **Damage must be disaster-related.**
- **Pre-existing damage is ineligible.** Damage to the structure may have been caused by deterioration or a previous event. Evidence of poor maintenance or damage sustained in a previous event may not be available. For example, if an applicant claims that her roof did not leak before a storm, and the inspector cannot find evidence of previous leakage, the repairs to the roof may be eligible.

The State may make exceptions to this restriction. If the inspector verifies that a pre-existing problem was exacerbated by the disaster, the State may award a grant for repair. Similarly, if pre-existing damage must be repaired before disaster-related, eligible repairs can be made, the cost of the repair may be eligible. The State must carefully review and document cases involving the eligibility of pre-existing damage.

- **Enhancements are ineligible, unless they are required by local building codes.** Substandard dwellings cannot be improved unless the improvements are required to meet building codes. For example, indoor plumbing, if required by a local ordinance, may be eligible if a house did not have it before the disaster.
- **Eligibility must be based on conditions existing at the time of the disaster.** The applicant may have removed, repaired, or replaced disaster-damaged items before the inspection took place. If such work is evident, the applicant must provide supporting documentation to receive a grant for the work.

Repair, replace, or rebuild. The State may award a grant to repair disaster-related damage or to replace or rebuild real property. As discussed in

Chapter 3, FEMA develops a list of real property items that are eligible for both the IFG and Disaster Housing Programs, and determines costs for those items based on local rates for material and labor. The costs are used to calculate the amount of grant awards. Generally, the items are related to the structural integrity and safety of a dwelling.

The repairs to a dwelling must be sufficient to ensure the occupant's safety and security, and to eliminate unsanitary conditions. The State should consider repairs to non-essential areas of the dwelling eligible, including rooms that are not occupied, if the damage to these areas affects the structural integrity of the dwelling. While the State should consider structural aspects of all rooms eligible, the State may determine that personal property in non-essential rooms is ineligible.

Provide access. The State may award a grant to repair or restore access to a primary residence when it is the only reasonable access to the residence. This category includes privately owned roads and bridges. Where the access serves more than one party, the affected applicants may each be eligible to receive a grant for a proportionate share of the work done and may combine the grants to restore the access. The sum of the shares may exceed the amount of the maximum grant allowed by the IFG Program regulations. A typical example is a private bridge that serves more than one residence and needs repair. The owner of the bridge must agree to sign a written joint-use agreement with no charge involved, or to joint ownership of the bridge.

Clean or make sanitary. Actions necessary to clean or sanitize the house due to conditions caused by the disaster are eligible.

Debris removal. The cost of removal of debris from the premises may be eligible. Any action taken must be directly related to the residence; the

presence of the debris must pose a threat to the structure or be considered a safety or sanitation hazard. Removing debris from other parts of the property is ineligible. For example, a tree falls on the applicant's house, and a second tree falls on the applicant's storage shed. Removal of the tree from the house may be eligible, but removal of the tree that fell on the shed and or trees that fell elsewhere on the property may not be eligible. In another example, a fallen tree is blocking a culvert that carries a stream beneath the applicant's driveway. The presence of the tree is preventing floodwaters from passing through the culvert, threatening his house. The cost of removing the tree may be eligible.

Minimum protective measures necessary to protect a residence against the immediate threat of damage. FEMA defines minimum protective measures as those actions taken by an applicant to protect the residence or its contents from an immediate threat of damage resulting from the disaster. Examples include:

- removing the contents of the residence to prevent damage;
- sandbagging to prevent floodwaters from entering the residence;
- using plywood to cover doors and windows;
- buying or renting a pump to remove water from the basement; and
- installing a temporary retaining wall to prevent slides.

Expenses incurred to tow a mobile home away from the threat of damage and to set the home up in a new location are eligible.

Regrading the land around a home is eligible if it is necessary to prevent accidents or to provide safety; however, landscaping for cosmetic or aesthetic purposes is ineligible.

Minimization measures required for owner-occupants to comply with the provisions of 44 CFR, Part 9, to enable them to receive assistance from other means and to comply with a community's floodplain management regulations for hazard mitigation. Hazard mitigation measures may be eligible. Such measures may be required or recommended under the following circumstances:

- Mitigation measures required by the local government for compliance with floodplain management ordinances are eligible.
- The State may recommend hazard mitigation measures during a floodplain management review (see Chapter 5) of an action that will affect an SFHA. The State may award a grant for the measures when awarding a grant for the action.
- Hazard mitigation measures may be recommended by the inspector during damage verification. A grant for the measures may be awarded by the Disaster Housing Program. However, if the measures "roll over" to the IFG Program (as described in Chapter 6), the State may award a grant for the measures, if the measures are intended to prevent future damage to an eligible item damaged during the disaster.
- The State may determine that hazard mitigation measures that are not required by the local government should be implemented in the best interests of the applicant and the State and Federal governments. These measures may be eligible on a case-by-case basis.

The State may determine that a floodplain management review is required if a proposed hazard mitigation measure affects an SFHA. The State must perform the review prior to awarding a grant in such cases.

B. PERSONAL PROPERTY

This category includes personal property items that are considered serious needs. Non-essential, luxury, or decorative items are ineligible. Eligible categories of personal property are described below. The applicant does not have to supply evidence that he or she owned the damaged personal property before that property can be considered for assistance.

The State should not award a grant for appliances and furnishings to a renter who lives in an apartment where the landlord provides these items. However, the State may make an exception if such an applicant is required to move into a residence where he or she must provide these items.

The State should not deny a grant for an item that is a serious need to the applicant because that item was not in use at the time of the disaster. For example, if a heater is considered a serious need, the State should not deny a grant for its replacement if the disaster occurred during the summer months.

Clothing. The State establishes one grant award amount for clothing based on items deemed necessary for one adult (the State may use either female or male clothing to make this determination) and what these items should reasonably cost. Grants are not awarded for individual clothing items. The State must apply the same grant award amount to adults, infants, and children regardless of age and gender.

Clothing is often provided by voluntary agencies; however, such clothing is expendable and is not considered a duplication of benefits. Therefore, even if an individual or family received some clothing from a voluntary agency before applying to FEMA, the State may make clothing awards to these same applicants.

Household items, furnishings, and appliances. Essential household items and furnishings, such as tables, chairs, beds, and bath and bed linens; and major appliances, such as refrigerators and ranges, are eligible under this category. The State must determine the items that are serious needs. Procedures for determining eligible items and the costs of these items are described in Chapter 3.

Vehicle safety items, such as infant car seats and motorcycle helmets, are considered personal property. These items may be required by State law and are thereby deemed eligible.

Durable medical equipment, such as a wheelchair, that was owned by an applicant prior to the disaster is considered personal property. However, if the applicant requires the equipment due to injuries sustained during the disaster, the need must be processed as a medical expense.

Tools, specialized or protective clothing, and equipment that are required by an employer as a condition of employment. This includes tools or equipment required for a specific trade or profession, protective clothing (for example, a welder's mask and gloves), and uniforms. Such items are ineligible if the applicant is self-employed, however, because they would be considered a business expense. Tools used specifically for home or personal vehicle repairs or hobbies are ineligible.

Books, equipment, and supplies required for education and reference may be eligible if the items are required for the applicant's employment or if the applicant is a student or trainee and the items are necessary for courses in which the student or trainee is enrolled, including college and trade school courses. Such cases must be carefully documented, and only essential items are eligible.

Award amounts are usually based on actual costs, as evidenced by an estimate or receipt; however, the State may set a dollar limit for this category.

Repairing, cleaning, or sanitizing any eligible personal property item. Some items may be repaired or cleaned rather than replaced. Through its pricing efforts, the State must establish standard costs for repairing personal property items such as appliances. The State may set a standard grant award amount for cleaning and sanitizing personal property items.

Moving and storage to prevent or reduce damage. Expenses incurred in moving and storing personal property away from the threat of damage include evacuation, storage, and return of the personal property. Appropriate award amounts are based on the actual cost of the service, as evidenced by supporting documentation.

The State need not conduct an item-by-item review of the applicant's personal property to determine if some of the items that have been moved or stored are ineligible under the IFG Program regulations. However, the State may not award a grant for the moving and storage of only ineligible items (such as recreational equipment).

Moving and storage expenses may be eligible even if the residence was unaffected by the disaster. For example, moving and storage expenses may be eligible if an applicant moves her belongings out of an apartment prior to a hurricane and the hurricane does not damage the apartment. Moving and storage expenses would be ineligible, however, if an applicant's dwelling was undamaged in an earthquake but he moves out of the region because it is earthquake-prone.

Damage to personal property items in storage at the time of the disaster may be eligible if the items are serious needs. The eligibility of these items should be reviewed on a case-by-case basis.

Personal property in secondary homes. The State may not award IFG Program grants for real property at secondary homes. Grants for real property may be awarded for only owner-occupied, primary residences. However, there are some instances where the State may award a grant to an applicant who temporarily resides in a secondary home and loses personal property. For example, a man who is vacationing at a second home loses his wheelchair and clothing during a disaster. Because these items are serious needs, the applicant may be eligible for a personal property grant. The applicant may also be eligible for a grant for disaster-related medical, dental, or funeral expenses despite the fact that he was not residing at his primary residence at the time of the disaster.

Distribution of personal property items in lieu of grant awards. The State may distribute personal property items in lieu of grant awards. This procedure would be necessary, for example, following a typhoon that destroys all retail businesses on an island in the Pacific. The State may fund the distribution of necessary personal property items in such cases.

C. TRANSPORTATION

Vehicles. Eligible vehicles include, but are not limited to, automobiles, vans, pick-up trucks, and motorcycles.

The State must ensure the following before awarding a grant under the IFG Program for repair or replacement of a vehicle that has sustained disaster-related damage:

- the damaged vehicle was in compliance with the State's laws regarding ownership. At the States' discretion, applicant compliance with State registration, inspection, or insurance requirements may also be necessary;
- proceeds from a comprehensive insurance policy have been considered; and
- the applicant is ineligible for, or has been denied, an SBA loan for repair or replacement of the vehicle.

If the family does not have a usable vehicle, the circumstances resulting in the need for repair or replacement must be determined to be disaster-related. If the applicant has one or more usable vehicles, and that number is considered adequate to meet the family's needs, a serious need for transportation does not exist and repair or replacement of any other private vehicles damaged during the disaster is ineligible.

In the State plan, the State must specify appropriate award amounts for repair and replacement of vehicles. The actual cost of repairs necessary to meet State requirements for safe, reliable transportation, as evidenced by an estimate or receipt, is typically eligible. Cosmetic repairs are ineligible.

The State may set a maximum allowable grant amount for vehicle replacement. However, the amount must be sufficient to provide safe, reliable transportation. FEMA recommends that the State award a grant that is no greater than half of the maximum allowable IFG Program grant for replacement of a vehicle. As an alternative, the State may use the National Automobile Dealers' Association "blue book" value for a 3-year old compact car to establish a maximum allowable amount. Under the allowance principle, the applicant may use the grant toward the purchase price of any vehicle that meets his or her needs.

Vehicle salvage funds received by an applicant are considered a duplication of benefits and are deducted from the grant award for the vehicle.

The State should award grants for vehicle safety items, such as infant car seats and motorcycle helmets, under the personal property category.

Other transportation considerations. Special circumstances may arise when determining an applicant's transportation needs. Examples are given below.

- **Forms of transportation other than vehicles may be eligible, such as:**
 - public transportation, if the applicant is required to use public transportation because of the disaster or if the applicant's expenses for public transportation have increased because of the disaster; and
 - a boat, bicycle, or other mode of transportation, if the applicant can demonstrate that the item served as his or her sole source of transportation.

When awarding grants for public transportation, the State should base the award amount on the cost of transportation for a reasonable period of time. Such awards must be well-documented.

- **A family may not have owned a vehicle prior to the disaster, but now demonstrates a need for one.** For example, a man was able to take public transportation to work before the disaster; due to the disaster, his employer has been forced to relocate to an area that is not served by public transportation. The cost of a vehicle may be eligible.

- A family may demonstrate the need for repairs to, or replacement of, more than one vehicle. For example, a husband and wife both work, and their places of employment are not reasonably near each other or served by public transportation. The family may be eligible for an award for two vehicles.
- Additional transportation costs due to damage to a community's infrastructure may be eligible. For example, the only bridge in a community is destroyed by a flood. An applicant whose place of employment is on the opposite side of the river is forced to pay for ferry service across the river. The cost of the service may be eligible for a period determined by the State.
- Transportation for migrant workers whose employment has been affected by the disaster may be eligible. The workers in question must indicate their intention to relocate to the next seasonal place of employment or to return home. The State must verify the effect of the disaster on the applicant's employment. The State must determine the appropriate award amount based on available common carrier or private vehicle mileage reimbursement.

D. MEDICAL OR DENTAL EXPENSES

Eligible expenses. The State may award grants for the following:

- treatment of a disaster-related injury or condition by a doctor or dentist, including hospitalization and ambulance services;
- purchase of medication necessary because of the disaster;

- purchase of medical equipment, such as a wheelchair, eyeglasses, or bridgework, necessary because of the disaster; and
- long-term, disaster-related treatment, if the State obtains certification of need and an estimate of the duration and cost of treatment from the attending doctor or dentist.

Durable medical equipment, such as a wheelchair, that was owned by the applicant before the disaster is considered personal property.

Cost estimates or bills for treatment are acceptable as evidence of the applicant's needs. The State may require the applicant to obtain a statement from a doctor or dentist documenting that these expenses are disaster-related. The State must consider insurance proceeds, including Medicare and Medicaid, prior to determining grant awards for medical and dental expenses.

E. FUNERAL EXPENSES

Disaster-related funeral expenses are eligible. As with medical and dental claims, the State must verify that the death was related to the disaster. The applicant may provide a doctor's certification that the death was disaster related. Alternatively, the State may contact ARC, hospitals, police, fire departments, or ambulance companies for verification, or may review newspaper accounts or coroner's reports. The State has the option to request that the applicant provide a copy of the death certificate.

Eligible costs in this category may include the cost of the casket, mortuary services, the funeral, transportation of the body, interment or cremation, and death certificates. Transportation of family members is ineligible, except in cases where a single family member must travel to the disaster area to identify

the deceased. If the disaster results in disinterment, the cost of reinterment may be eligible, with supporting documentation. The State must determine which costs are eligible, and define eligible items in its administrative plan. The State may set a dollar limit for funeral expenses, based on reasonable costs.

The State may use bills and receipts provided by the applicant to determine the grant award amount.

F. FLOOD INSURANCE PREMIUM

Conditions under which an applicant must purchase and maintain flood insurance are described in Chapter 5.

The State may award an IFG Program grant for:

- the cost of the first year's premium. Minimum coverage requirements and corresponding premium costs are revised annually. The State plan must be revised annually to include changes to premium amounts;
- the cost of services necessary to obtain flood insurance, such as a rating survey and the additional premium cost if the home is actuarially rated as a result of the rating survey; and
- the surcharge applied to the premium, if the community in which the applicant resides has been placed on probation by FEMA.

Conditions of eligibility. The above-listed expenses are eligible if all of the following are true:

- The applicant's residence is located in an SFHA.

- The damage to the applicant's property was caused by flooding.
- The community is participating in the National Flood Insurance Program.
- The State is awarding a grant for insurable real or personal property, or both.
- The applicant maintained a flood insurance policy if required to do so to receive assistance in a previous disaster.
- The applicant does not reside in a Coastal Barrier Resources System unit.

Flood insurance for properties outside SFHAs. Applicants who reside outside of SFHAs are not subject to flood insurance purchase requirements. Consequently, if such an applicant chooses to purchase flood insurance after a flood, the State may not award a grant for the cost of the first year's premium.

G. COST OF AN ESTIMATE

In some cases, doctors, dentists, funeral directors, and vehicle repair firms may charge for estimates of the eventual costs of their services. The cost of such an estimate is eligible, with appropriate documentation. If an applicant chooses to have an estimate of real and personal property damage performed as part of an appeal, the cost of that estimate is ineligible since FEMA provides the State with the estimates in the housing, personal property, and, as applicable, transportation (vehicle) categories.

H. "OTHER" ITEMS

The "other" category is reserved for items that are unspecified in the national eligibility criteria, such as necessary expenses and serious needs that are unique to a specific disaster. In addition, the Associate Director, Response and Recovery Directorate, FEMA, and the Regional Director have the authority to identify additional eligible necessary expenses or serious needs that may be included in the "other" category. The State plan must be amended to include disaster-specific items or additional eligible items or categories prior to approval by the Regional Director.

The State may also use the "other" category to award grants in unique situations. The State is responsible for determining eligibility on a case-by-case basis and must document the justification for approval of the assistance. The following example illustrates this concept. A family's swimming pool is damaged during a disaster. Repairs to a swimming pool are normally considered ineligible. However, if an applicant provides evidence that the pool is necessary for the daily therapeutic treatment of a family member, and the State verifies that the use of another facility for the therapy is not feasible, the State may approve a grant for pool repair.

4. INELIGIBLE CATEGORIES

Business losses. Disaster-related damage to businesses, including real property damage, equipment, and lost revenues are ineligible. This includes farm businesses and self-employment.

Improvements or additions to real or personal property. Grants cannot be awarded to upgrade the size, quality, or capacity of real or personal property owned prior to

the disaster, except where State or local codes require such upgrading. New items necessary to replace those lost in a disaster are not considered improvements or additions.

Landscaping. Landscaping costs, including the replacement of trees and shrubbery, reseeding, and cosmetic grading, are ineligible. Grading necessary for safety may be eligible.

Real property for secondary homes. Damage to real property at secondary homes is ineligible.

Real or personal property used exclusively for recreation. Unless recreational property is used primarily for medical purposes, as described in the swimming pool example above, it is ineligible.

Labor costs. Disaster-related labor performed by the applicant or members of the applicant's household is ineligible.

Financial obligations incurred prior to the disaster. Previously owed debts, back taxes, and unpaid utility bills are examples of the items that are considered ineligible pre-disaster financial obligations.

Food. Food supplies are normally considered ineligible. The IFG Program is not an indemnification program and therefore should not be used to replace food stocks lost during the disaster. ARC and other voluntary organizations typically provide food supplies. In addition, the U.S. Department of Agriculture's program for distributing food stamps can be extended to disaster victims through coordination with the Federal and State Coordinating Officers and ARC.

In addition, the State may not award IFG Program grants to:

- purchase items that can be characterized as non-essential, luxury, or decorative;
- cover necessary expenses and serious needs for which assistance from other sources has been received, or has been offered and refused; or
- engage in activities prohibited by law.

Chapter 5:

Federal Flood Insurance, Floodplain Management, and Environmental Requirements

The administration of the IFG Program must be consistent with the following:

- the Flood Disaster Protection Act of 1973 (Public Law 93-234);
- the National Flood Insurance Reform Act of 1994 (Public Law 103-325);
- Executive Orders 11988 (Floodplain Management) and 11990 (Protection of Wetlands), issued in 1977;
- the Coastal Barrier Resources Act (CBRA) of 1982 (Public Law 97-348) and the Coastal Barrier Improvement Act of 1990 (Public Law 101-591);
- the National Environmental Policy Act of 1969 (Public Law 91-190); and
- Executive Order 12898 (Environmental Justice), issued in 1994.

I. FLOOD INSURANCE REQUIREMENTS

A. FEDERAL REGULATIONS

The National Flood Insurance Program (NFIP). The NFIP was established by the National Flood Insurance Act of 1968 (Public Law 90-448) to provide previously unavailable flood insurance protection to property owners in

flood-prone areas. The program is based on an agreement between local communities and the Federal Government that if the community implements programs to reduce future flood risks, the Federal Government makes flood insurance available for purchase within the community as a financial protection against flood losses.

Federal regulations governing the NFIP are published in 44 CFR, Parts 59 through 79.

The Flood Disaster Protection Act of 1973. The NFIP was broadened and modified by the Flood Disaster Protection Act. The Flood Disaster Protection Act requires the mandatory purchase and maintenance of flood insurance as a condition for receiving Federal or Federally related financial assistance for "acquisition or construction purposes" with respect to insurable structures in Special Flood Hazard Areas (SFHAs). "Acquisition or construction purposes" are defined at 44 CFR, Subparagraph 206.131(d)(1) as the repair, replacement, or rebuilding of the insurable portions of a residence, or the purchase or repair of the insurable contents of a residence. An SFHA is an area with a high flood risk and is defined as an area that would be inundated by a flood having a 1-percent chance of occurrence in any given year (also known as the "base flood"). Two types of SFHAs are designated as follows:

- Zone A: an SFHA is designated as "Zone A" if it is subject to inundation from the base flood of a stream, river, lake, or other inland flooding source.
- Zone V: an SFHA is designated as "Zone V" if it is located along the coast, is subject to inundation from the base flood, and is subject to the additional hazards associated with storm waves.

SFHAs are shown on Flood Insurance Rate Maps (FIRMs) and Flood Hazard Boundary Maps, which are produced and distributed by FEMA.

The Flood Disaster Protection Act also establishes limitations on Federal assistance in communities where SFHAs have been identified but the communities are not participating in the NFIP. The provisions of the Flood Disaster Protection Act are applicable to the IFG Program, which often provides Federally funded assistance within SFHAs. The IFG Program regulations provide specific guidance on the application of flood insurance requirements.

The Flood Disaster Protection Act is described at 44 CFR, Part 59.

The National Flood Insurance Reform Act of 1994. The National Flood Insurance Reform Act modified the Flood Disaster Protection Act. The National Flood Insurance Reform Act includes a broad range of provisions intended to reduce Federal expenditures for flood disaster assistance and to strengthen the financial condition of the NFIP. The Act modifies the requirements for mandatory purchase and maintenance of flood insurance by IFG Program grant recipients and prohibits an applicant from receiving an IFG Program grant in certain cases where flood insurance coverage has not been maintained.

The National Flood Insurance Reform Act replaces the term “acquisition and construction” with “repair, replacement, or restoration for damage to any personal residential (real and personal) or commercial property.”

The application of the National Flood Insurance Reform Act to the IFG Program is described in 44 CFR, Section 206.131.

B. APPLICATION TO THE IFG PROGRAM

The State must impose flood insurance purchase and maintenance requirements when awarding IFG Program grants *only if the damage to insurable real or personal property was caused by flooding, and the applicant's property is located in an SFHA*. The restrictions do not apply if:

- the damage to the applicant's property was caused by fire, earthquake, tornado, seepage, sewer back-up, or other disaster event unaccompanied by a general condition of flooding, even if the applicant lives in an SFHA; or
- the applicant's property is damaged by flooding, but is located outside of an SFHA.

For the IFG Program, the term "repair, replacement, or restoration of real and personal property" applies only to grants for real or personal property items, or both, and items that are insurable under the NFIP.

To determine what items are considered insurable under the NFIP, refer to 44 CFR, Part 61, which governs insurance coverage and rates. The Standard Flood Insurance Policy Dwelling Form included as an appendix to Part 61 includes a list of items that are uninsurable, such as wells and septic systems. Definitions of, and coverages for, insurable items change frequently. The State should consult with FEMA to determine what items are insurable under the NFIP before awarding grants for repair, replacement, or restoration of real and personal property.

The Group Flood Insurance Policy. Flood insurance purchase for IFG Program grant recipients is accomplished through use of a Group Flood Insurance Policy

(GFIP). Following a disaster that involves flooding, a single flood insurance policy is established to provide coverage for all applicants whose damaged property is located in SFHAs and who sustain flood damage to real and/or personal property.

The GFIP satisfies the flood insurance purchase requirement described above and is described in greater detail below.

C. COMMUNITY PARTICIPATION

Federally sponsored flood insurance is available only in communities that participate in the NFIP. To participate in the NFIP, a community must adopt and enforce the minimum floodplain management requirements specified in the NFIP regulations. Participation in the NFIP is approved on a community, rather than an individual, basis, so that the community accepts its responsibility to manage its floodplains in accordance with the NFIP requirements, thus reducing future flood hazards and protecting Federal financial investments within the community.

Definitions of community participation in the NFIP.

- **Participating:** the community is enforcing the minimum floodplain management criteria of the NFIP. Flood insurance may be purchased in the community.
- **Non-participating:** SFHAs have been designated within the community for at least 1 year, and the community has elected not to join the NFIP. Flood insurance is unavailable in communities that are non-participating.
- **Probation:** FEMA has informed the community that it is not complying with

the minimum floodplain management regulations of the NFIP and may be sanctioned if corrective measures are not taken. Flood insurance may be purchased in the community, but a \$50 surcharge is applied to each new or renewed policy. The \$50 surcharge does not apply to recipients of IFG Program grants who are insured under a Group Flood Insurance Policy (GFIP), as described below.

- **Sanctioned:** the community has failed to adopt ordinances complying with the minimum floodplain management requirements of the NFIP, or the community has failed to adequately enforce the minimum floodplain management requirements of the NFIP or its own floodplain management ordinances. Federally sponsored flood insurance is unavailable in communities that are sanctioned.

In non-participating or sanctioned communities, the State may not award grants for repair, replacement, or restoration of real and/or personal property in SFHAs, if the damage was caused by flooding. However, if the damage was not caused by flooding, IFG Program grants are unaffected by community participation, even for applicants residing in SFHAs. Further, community participation does not affect the award of IFG Program grants to applicants whose damaged property is located outside of SFHAs. For example, if a family lives in Zone X in a sanctioned community, the State could award an IFG Program grant for flood-damaged real and personal property because there is no flood insurance purchase requirement for those who live in zones other than A or V.

Private insurance. Exceptions may be made for applicants who have non-Federally sponsored flood insurance. Such insurance, which is not backed by the NFIP, may be available from private insurance companies. The State may award grants for repair, replacement, or restoration of real and personal property in SFHAs in non-participating or sanctioned communities to applicants with such insurance.

The State must consider the proceeds from any insurance policy when determining grant award amounts (see Chapter 6).

Communities can elect to participate in the NFIP. The IFG Program regulations state that non-participating or sanctioned communities may join or be reinstated in the NFIP following a disaster declaration. The Regional Director typically ensures that any non-participating or sanctioned communities are given this opportunity after a flood. If the community qualifies for participation or reinstatement, it must join the NFIP within 6 months of the disaster declaration. The IFG Program regulations require that all grant award activity be completed within 180 days of the disaster declaration; therefore, the Governor's Authorized Representative may request an extension from the Regional Director for accepting registrations and awarding grants for real and personal property in the community.

FEMA registers victims of flood disasters regardless of community participation.

The State may process applications for IFG Program assistance from applicants living in SFHAs for categories other than real or personal property even if the community in question is non-participating or sanctioned. Grants for real and personal property may be processed if the community subsequently joins or is reinstated into the NFIP, as long as the period for grant award activity has not ended.

Additionally, grants may be processed for applicants having private flood insurance regardless of community participation.

Victims residing outside of SFHAs are registered and their applications processed per standard operating procedures, regardless of community participation in the NFIP, even for damage caused by flooding. These applicants are not subject to the flood insurance purchase requirement because they do not reside in an SFHA.

Communities in the NFIP "grace period." A community is given a 1-year "grace

period" to join the NFIP once SFHAs have been identified within the community. If a flood affects a community during this grace period, the State may award IFG Program grants for real and personal property needs to applicants who reside within SFHAs, and the State must impose the flood insurance requirement. However, because Federally backed flood insurance is not available in these communities, GFIP certificates cannot be issued. Therefore, the only recourse for applicants residing in these communities is non-Federally backed flood insurance.

There are few communities to which this grace period applies; most flood-prone communities in the country have either joined the NFIP, are non-participating, or are sanctioned.

Tracking community participation. FEMA's Regional Offices track community participation in the NFIP. When initiating the IFG Program for a flood disaster, the State should contact the Regional Office immediately to determine if any communities in the disaster area are non-participating or sanctioned. The State must determine this before awarding any real or personal property grants to applicants who reside within SFHAs. The Regional Director will notify the State if any non-participating or sanctioned communities join or become reinstated in the NFIP.

Grants for hazard mitigation measures in non-participating or sanctioned communities. Unless the applicant has purchased non-Federally sponsored flood insurance, the IFG Program cannot award a grant for hazard mitigation measures for a residence located in an SFHA in a non-participating or sanctioned community. An applicant living in an SFHA must have flood insurance to receive a grant for mitigation purposes. Because Federally sponsored flood insurance is unavailable in non-participating or sanctioned communities, an applicant who lives in an SFHA in such a community may not receive a grant for mitigation because he or she could

not comply with the flood insurance purchase and maintenance requirement.

D. FLOOD INSURANCE PURCHASE AND MAINTENANCE

The Group Flood Insurance Policy (GFIP). As stated previously, any required flood insurance for IFG Program grant recipients is provided through use of a GFIP.

The State establishes a GFIP directly with the NFIP to cover all applicants who live in designated SFHAs and who receive grants for flood-damaged real and/or personal property. The FEMA IFG Coordinator is responsible for establishing the GFIP with the NFIP. The State IFG Program Manager is responsible for coordination with the servicing agent and for implementing the policy.

A GFIP takes effect 60 days after the date of the Presidential disaster declaration and expires 36 months from the date it becomes effective. Coverage for a GFIP certificate holder begins 30 days after the NFIP receives the \$200 premium payment for that certificate holder; however, coverage may not begin before the start date of the policy itself (that is, 60 days after the disaster declaration date). Coverage for each certificate holder expires when the GFIP expires (that is, 36 months after the 60th day from the disaster declaration date).

A GFIP is similar to an NFIP standard flood insurance policy in that it applies when there is a general condition of flooding. However, a GFIP is different from the standard flood insurance policy in the following ways:

- Damage due to seepage, sewage back-up, and land subsidence is covered by a GFIP without the conditions that would normally apply to such damage under a standard flood insurance policy.

- A GFIP covers each certificate holder up to the maximum IFG Program grant amount. This coverage amount is revised annually as the maximum grant amount is revised each fiscal year by FEMA (see Chapter 1). However, a certificate holder may increase the coverage amount by switching to a standard flood insurance policy.
- Under a GFIP, the deductible for the structure is \$200 and the deductible for contents is \$200 (that is, \$400 for both).
- The NFIP will notify GFIP certificate holders of the expiration of the policy 60 days before the policy expires. This notification will provide information regarding the amount of flood insurance coverage that must be maintained by the certificate holder if that person wishes to receive IFG Program assistance with future flood losses.

Conditions under which purchase and maintenance is required. An applicant will receive a GFIP certificate from the NFIP and an IFG Program grant if any damage was caused by flooding; the damaged property is located in an SFHA; and the applicant will use the grant to repair or replace insurable real and/or personal property. The applicant is required to maintain flood insurance coverage at the maximum grant amount after the GFIP expires to be eligible for IFG Program assistance for subsequent flood losses.

Exceptions to purchase and maintenance requirements. The NFIP's standard flood insurance policy does not provide coverage for real or personal property associated with:

- unanchored mobile homes; and

- structures located in, on, or over water.

Because flood insurance is not available for these types of properties, owners or renters of such properties who apply for IFG Program assistance with flood-related real and/or personal property losses are not subject to flood insurance purchase and maintenance requirements, and consequently may receive grants for these categories. This exception applies even if the structure is located in an SFHA, regardless of community participation in the NFIP.

Exception for renters in basement apartments. A basement is defined as an area that is below the ground level on all sides. The NFIP standard flood insurance policy does not provide coverage for the contents of a basement. If an applicant is renting a basement apartment in a building that is located in an SFHA, he or she is not required to have flood insurance for personal property that will be kept in that apartment. As with the exception described above, this exception is not affected by community participation in the NFIP.

Term of policy maintenance for homeowners. A homeowner who is required to maintain flood insurance must maintain adequate coverage on the structure and its contents for as long as he or she resides in that dwelling.

Term of policy maintenance for renters. A renter who is required to maintain flood insurance must maintain adequate coverage on the contents of the rental unit for as long as he or she resides *in that unit*. There is no maintenance requirement for a subsequent renter of the same unit.

Purchase and maintenance requirements for applicants who move. If the owner of a dwelling covered by a GFIP certificate sells the dwelling, the dwelling will continue to be insured until the GFIP certificate expires. The seller should provide

the NFIP with the name of the new owner so that the NFIP can notify that person when the certificate is about to expire.

The requirement to purchase and maintain flood insurance is based on the location of the flood-damaged residence. If an applicant decides to permanently move out of a damaged residence following the disaster, he or she is not required to maintain flood insurance to be eligible for IFG Program assistance for subsequent losses at the new address, unless the acquired dwelling has a flood insurance purchase requirement from a previous disaster in which flood losses were incurred.

Applicants who want to avoid flood insurance requirements. If an applicant does not want to be subject to flood insurance requirements, he or she must return that part of the grant that was awarded for insurable real/or personal property items in order to be removed from the database of those required to maintain flood insurance. The applicant may then be eligible to receive IFG Program assistance for flood losses in subsequent disasters.

If a GFIP certificate is issued to an applicant who subsequently returns IFG Program grant funds, the certificate coverage remains in effect for the balance of the policy coverage period, unless the applicant is a renter who moves from the flood-damaged unit.

Applicants who do not maintain flood insurance after the GFIP expires. If an applicant does not maintain flood insurance coverage as required, he or she is ineligible for an IFG Program grant for the repair, replacement, or restoration of flood-damaged real and/or personal property or for hazard mitigation measures in all subsequent disasters. The State must impose this restriction regardless of the reason the policy was not maintained.

A homeowner who purchased a residence that is subject to the policy requirement because of a previous disaster must maintain the policy to receive assistance with flood-damaged real and/or personal property in all subsequent disasters.

Non-compliant properties. Under Section 1316 of the National Flood Insurance Act of 1968 (described in 44 CFR, Part 73), flood insurance may not be purchased for any property that has been declared by the State, local, or other zoning authority as violating State or local laws, regulations, or ordinances designed to restrict or discourage development or occupancy of flood-prone areas. Periodically, FEMA publishes a list of properties that are non-compliant with floodplain management ordinances. The State must not award IFG Program grants for repair, replacement, or restoration of real and personal property to the applicants who own these properties.

Flood insurance for properties outside of SFHAs. Applicants who reside outside of SFHAs are not required to obtain and maintain flood insurance to receive an IFG Program grant for the repair, replacement, or restoration of real and personal property after a flood. Consequently, if such an applicant chooses to purchase and maintain flood insurance, the State may not purchase a GFIP certificate for that applicant.

Flood insurance required for Small Business Administration (SBA) or Farm Service Agency (FSA) assistance. In administering their disaster recovery programs, SBA and FSA may require the purchase and maintenance of flood insurance as a condition for approving a disaster loan. (FSA is a U.S. Department of Agriculture agency formerly known as the Farmers Home Administration.) If SBA or FSA required an applicant to purchase and maintain a flood insurance policy to

receive a loan for flood-damaged real and/or personal property, that agency may deny a loan application for subsequent flood losses if the applicant failed to comply with the flood insurance purchase and maintenance requirements. If this applicant is then referred to the IFG Program, the State may not award grants for real and/or personal property, if the applicant:

- resides in an SFHA;
- has losses due to flooding, and his or her needs would otherwise have been met by flood insurance;
- continues to reside at the dwelling to which the loan applies; and
- is the original borrower of the SBA or FSA loan.

2. EXECUTIVE ORDERS 11988 AND 11990: THE EIGHT-STEP PROCESS

Executive Orders 11988 and 11990. The Orders provide guidance for ensuring that Federally sponsored activities in floodplains or wetlands are undertaken in accordance with the Flood Disaster Protection Act of 1973 (Public Law 93-234) and the National Environmental Policy Act of 1969 (Public Law 91-190). The Orders describe a review, called the eight-step process, that FEMA must undertake prior to engaging in any activity that would have potentially adverse effects on floodplains or wetlands. IFG Program grants may be awarded for real property expenses, such as the replacement of private bridges, that could affect floodplains or wetlands and would therefore be subject to the eight-step process.

Federal regulations for implementing Executive Orders 11988 and 11990 are published at 44 CFR, Part 9.

A. APPLICATION TO THE IFG PROGRAM

To comply with Executive Orders 11988 and 11990, the State must implement the eight-step process before awarding an IFG Program grant for a proposed action that affects an SFHA, even if the disaster was not a flood. The State should apply the eight-step process to only the following actions:

- repairing, building, or replacing private bridges, or pooling grants for this purpose;
- building minimum protective structures, such as retaining walls; and
- purchasing a mobile home, travel trailer, or other fabricated dwelling to be placed in an SFHA.

Considerations for mobile homes and travel trailers. If an applicant resides in a mobile home in an SFHA, the State must determine if the applicant intends to remain in the SFHA before awarding an IFG Program grant for replacement of the home. The State must apply the eight-step process before awarding the grant if the applicant plans to keep the new home at the same location.

Prior to awarding a grant for replacement of the home, the State should send the applicant a Mobile Home Questionnaire (see Figure 7-13). Once the applicant has returned the completed questionnaire, the State may either award the grant or proceed with the eight-step process, as appropriate.

An applicant receiving an IFG Program grant for replacement of a mobile home may use the grant to repair the damaged home instead of replacing it. The State should not apply the eight-step process in such cases.

The State is not required to perform the eight-step process for a travel trailer that will be placed in an SFHA if the applicant maintains the immediate means of mobility for the trailer. The applicant must not remove the wheels from the trailer, must maintain a clear means of egress, and must connect the trailer to detachable utilities to meet this requirement.

Processing other grant categories while the eight-step process is being conducted. The eight-step process is only applied to the specific actions described above. During the completion of the eight-step process, the State should not delay the processing of grants for other categories in which the applicant has needs. The State should process grants for personal property, medical, dental and funeral expenses, and transportation needs as expeditiously as possible.

The State may process grants for real property needs unrelated to the action requiring the eight-step process without waiting for the results of the review. For example, if the review is to determine the effects of private bridge repair, the State should not delay the award of a grant for the repair of the roof on the residence.

Personal property for mobile homes. The State may withhold a grant for personal property, such as appliances or furnishings, that the applicant might use to purchase a mobile home until the eight-step process has been completed. The State should not withhold personal property grants for items unrelated to mobile home purchase, such as durable medical equipment. The State may also award grants for personal

property to meet emergency needs on a case-by-case basis.

B. THE EIGHT-STEP PROCESS

FEMA and State responsibilities. FEMA and the State share responsibilities for applying the eight-step process to the IFG Program, as follows:

Step	Description	Responsibility
1	Determine if action affects an SFHA	FEMA and State
2	Publish initial public notice	FEMA
3	Identify and evaluate alternatives	State
4	Identify adverse impacts	State
5	Minimize adverse impacts	State
6	Final evaluation and decision	FEMA and State
7	Publish final public notice	FEMA
8	Implement action	FEMA and State

The Regional Director makes the final decision (see Step 6). However, the State must obtain all information necessary to make the decision. The State must document the information using FEMA Form 76-38, "Floodplain Management Analysis" (see Figure 5-1). The State should notify the Regional Director if technical assistance for completing the analysis is required.

Step 1: Determine if the action is in, affects, or is affected by a SFHA. FEMA's processing center determines if an applicant's residence is located in an SFHA. This information is recorded in FEMA's database. However, the State may confirm the determination, if appropriate. For example, an applicant whose home is not located in an SFHA may need a grant to repair a bridge. The State should determine if the bridge affects an SFHA.

If the State subsequently determines that the action is not located in, or does not affect, an SFHA, the action may be undertaken without further review. The State must document this fact in the case file.

The Regional Director must be notified if the State determines that it is not necessary to complete the eight-step process.

Step 2: Involve the public in the decision-making. The public must be given the opportunity to submit comments on the proposed action. The Regional Director publishes an initial public notice in a local newspaper, although he or she may request that the State prepare a draft of this notice. The notice may be either

individual (relating to one site or one application) or cumulative (relating to a number of similar actions, such as several private bridges along the same stream). As an alternative, the Regional Director may publish a generic notice for all potential actions that may be subject to floodplain management review. The Regional Director determines the length of the comment period and the extent of the publication.

The public notice should include the following elements:

- the purpose and description of the action, and a statement of the intent to carry out the action;
- the official or organization responsible for implementing the action;
- a description of the type, extent, and degree of hazard involved; and
- a statement that information regarding the action is available for inspection, along with the names and addresses of Federal or State officials whom interested persons may contact.

A sample of an initial public notice is given in Figure 5-2.

Step 3: Identify and evaluate practical alternatives. The State must develop a list of practical alternatives to the proposed action, considering natural, environmental, social, and economic factors, as well as legal constraints. The State must analyze:

- alternative sites;
- alternative actions that accomplish the same results but have less potential to affect, or be affected by, the floodplain; and
- the "no action" alternative.

If the "no action" alternative is selected, the State may not award a grant for the proposed action. This alternative should be exercised if the proposed action and all practical alternatives will adversely affect the floodplain or its occupants (see Step 4).

For the repair of a bridge, the selection of an alternative site is usually impractical. The State should consider only alternative actions or the "no action" alternative.

Step 4: Identify adverse impacts. The State must determine if the proposed action, as well as the practical alternatives, will adversely affect the floodplain or floodplain occupants. This determination must be based on consideration of the following:

- direct or indirect contribution of the action to further floodplain development;
- direct or indirect increase in risk to others because of the action;

- potential for recurring flood damage to the structure or residence that is the subject of the action;
- factors related to flood hazards, including: dangerous water velocities; rate of rise of floodwaters; duration of flooding; available warning and evacuation times; evacuation routes; problems related to levees; groundwater flooding; and factors such as erosion, subsidence, sinkholes, ice jams, debris load, pollutants, wave heights, and mudflow;
- effects on the quality and survival of wetlands, with consideration of: water quality and supply; pollution; conservation of natural wildlife habitats; compatible wetlands usage; and public health, safety, and welfare;
- effects on natural values, such as water resources, wildlife habitats, and agricultural and forestry resources; and
- effects of the action on social, cultural, and historical values.

For Steps 3 and 4, the State may develop a narrative explanation and attach it to FEMA Form 76-38.

Step 5: Minimization of adverse impacts. If adverse impacts are identified in Step 4, the State must evaluate measures that could be taken to minimize these impacts. Any minimization measures must be designed, to the extent possible, to reduce the vulnerability of life and property to flood risk and to restore and preserve the beneficial aspects of the floodplain.

Step 6: Final evaluation and decision. Once Steps 3, 4, and 5 have been completed, the State must evaluate the proposed action and forward a recommendation to the Regional Director. The State should determine if:

- one of the proposed alternatives is practicable;
- the proposed action is practicable, in light of its exposure to flood hazards, the extent to which it will aggravate the hazard to others, and its potential to disrupt floodplain and wetlands values; or
- no action should be taken, because the action and its alternatives will have significant adverse impacts that cannot be minimized.

With the recommendation, the State must submit FEMA Form 76-38 to the Regional Director, along with any attachments, engineering surveys, comments received in response to the public notice, and any other documentation accumulated during the decision-making.

The Regional Director makes the final decision on the proposed action. The action should not be approved unless there are no practicable alternatives or sites.

Step 7: Announce and explain the decision to the public. If the Regional Director approves the proposed action or selects an alternative affecting an SFHA, a final notice must be published to document the action for public review. The Regional Director publishes the notice, although he or she may request that the State

provide a draft of the notice. As with the initial notice, the final notice may be individual, cumulative, or generic. For consistency, the method of publication, the notice format, and the comment period used for the initial notice are typically used for the final notice. The Regional Director may authorize exceptions for actions that were controversial during the review. An example of a final public notice is given in Figure 5-3.

Step 7 is not required if the proposed action involves the repair of an existing bridge.

Step 8: Implement the action with appropriate mitigation measures and monitor results. Once the Regional Director has reached a decision and comments have been received, the State may award a grant for the recommended action unless the "no action" alternative is selected. The grant recipient must comply with all aspects of the recommendation, including any recommended mitigation measures. The State may award an additional grant for the mitigation measures.

If the grant is to be used to purchase a mobile home, the State must notify the recipient of the following restrictions:

- The grant award may not be used to purchase a mobile home if it is to be placed within a FEMA-designated floodway or in a coastal high hazard area (Zone V). A floodway is the channel of a stream and adjacent land areas that must be reserved to discharge the base flood without obstructions that would increase flood elevations. Floodways are shown on FIRMs or Flood Boundary and Floodway Maps.

* The grant may be used to repair or replace a mobile home to be placed in Zone A if a building permit is obtained from the city or county, and if the lowest floor to be used for living purposes is elevated above the base flood elevation.

The State should monitor the use of the grant awards through its quality control sample (see Chapter 9). The State should ensure that the grant recipient obtained the appropriate city or county permits for the work.

Although the State is responsible for ensuring that the grant award is properly applied, the Regional Director may assume this responsibility if he or she determines that the State is not performing the task as required.

3. COASTAL BARRIER RESOURCES ACT

The Coastal Barrier Resources Act (CBRA) (Public Law 97-348) was passed in 1982. The CBRA created the Coastal Barrier Resources System (CBRS), a land classification that is composed of largely undeveloped terrain lining the country's coastlines. The CBRS, which originally included coastal areas along the Atlantic Ocean and the Gulf of Mexico, was expanded by the Coastal Barrier Improvement Act of 1990 (Public Law 101-591) to include parts of the Great Lakes region, Puerto Rico, and the Virgin Islands. CBRS units have not yet been authorized on the Pacific Coast. Areas within the CBRS are shown on the Flood Insurance Rate Maps (FIRMs) for the affected communities.

The application of the CBRA to disaster assistance programs is described in Subpart J of 44 CFR, Part 206.

A. APPLICATION TO THE IFG PROGRAM

The CBRA prohibits all Federal expenditures or financial assistance, including flood insurance, for residential or commercial development within the CBRS. Under the CBRA, the State may not award grants for repair, replacement, or restoration of real and personal property associated with a residence that is located within the CBRS. *This restriction applies to both owners and renters and is applicable even if the damage was not caused by flooding.*

For applicants residing in CBRS units, the State may award IFG Program grants only for the following:

- medical and dental expenses;
- funeral expenses; and
- certain transportation costs, such as costs related to commuting. Such grants must not be related to vehicles owned by the applicant and are awarded at the discretion of the State and FEMA.

Processing grants for residences in CBRS units. The State reviews proposed grant awards for possible restrictions imposed by the CBRA. If coastal counties, or counties along the shoreline of the Great Lakes, are affected by the disaster, the

State must take the following steps to ensure compliance with the CBRA.

- Obtain a list of communities containing CBRS units from the Regional Director, along with FIRMs for those communities.
- If an applicant resides in a community with CBRS units, ensure that FEMA has determined if the residence is located in a CBRS unit. As with SFHA determinations, map readers at FEMA's processing centers make CBRS determinations and record the information in FEMA's database.
- Deny IFG Program grants for all categories of assistance except medical, dental, and funeral expenses, if the residence is located in a CBRS unit. The State may award grants for certain transportation expenses, as described above.
- Notify the applicant of the denial by letter. The letter must refer to the CBRA.

4. THE NATIONAL ENVIRONMENTAL POLICY ACT

The National Environmental Policy Act (NEPA) (Public Law 91-190), passed in 1969, stipulates that Federal agencies must adopt procedures to evaluate the impact of major

projects on the environment. The regulations governing FEMA's compliance with NEPA are published in 44 CFR, Part 10.

Due to their limited impact, very few IFG Program actions require compliance with these regulations. Those that do also require a floodplain management review and are listed below:

- repairing, building, or replacing private bridges or pooling grants for this purpose;
- building minimum protective structures, such as retaining walls; and
- purchasing a mobile home, travel trailer, or other fabricated dwelling.

Under 44 CFR, Subparagraph 10.8(c)(2), all other forms of assistance granted under the IFG Program are categorically excluded from compliance with these regulations.

Responsibilities for compliance. The State:

- informs the Regional Director of specific cases that may involve the NEPA regulations;
- prepares the documents and findings and submits them to the Regional Director for signature; and
- awards or denies grants, depending on the decision.

The Regional Director:

- determines the applicability of the NEPA regulations to specific cases;
- provides technical assistance to the State in preparing the appropriate documents;
- reviews the State's documentation; and
- obtains approval or denial of the proposed action from FEMA Headquarters.

The Regional Director may elect to perform the entire NEPA review using FEMA staff.

When NEPA is a factor, the State may not approve a grant for the action in question until the Regional Director informs the State that he or she has obtained approval of the action.

Environmental Assessment. If the State determines that an action requires an environmental review, an Environmental Assessment (EA) must be performed. The EA has two purposes:

- to determine if the proposed action will have an impact on the environment; and
- to evaluate the significance of the impact.

The EA is intended to be qualitative and does not usually require extensive research or documentation. If the proposed action affects an SFHA, data obtained during the eight-step process may be used for the EA. As with the eight-step process, similar proposed actions

may be reviewed as a group.

The EA must contain the following elements:

- description of the proposed action;
- purpose and need for the action (a description of why the action constitutes a necessary expense or serious need under the IFG Program);
- alternatives considered (this element should be similar to Step 3 of the eight-step process);
- environmental impact of the proposed action and alternatives;
- listing of agencies and persons consulted in preparing the EA; and
- a conclusion stating whether or not the action is considered significant.

The State may use FEMA Form 76-30, "Environmental Review (IFG Program)," when preparing the EA (see Figure 5-4).

Environmental impact of the action. The State may use the factors described in Step 4 of the eight-step process to evaluate the environmental impact of the action. The action will have an environmental impact if it will:

- cause harm to the environment;

- cause harm or danger to people;
- cause or contribute to new development, which could encourage the above;
- degrade social, biological, or cultural values in the area; and
- create the potential for future or recurring damage.

Significance of the action's environmental impact. The significance of the action's environmental impact should be evaluated according to criteria published by the Council on Environmental Quality (CEQ). These criteria are found in the CEQ regulations, published in 40 CFR, Part 1508. The criteria for significance are listed below.

- Is the action significant on a national, regional, or local scale?
- Are the effects of the action beneficial or adverse?
- Does the action affect public health and safety?
- Does the action affect the ecology of the area?
- Do the effects of the action involve unique, unknown, or uncertain risks?
- Are the effects of the action on the human environment likely to be controversial?

- Will the action establish a precedent?
- Is the action related to other actions which, cumulatively, would significantly impact the environment?
- Will the action adversely affect areas listed, or eligible for listing, in the National Register of Historical Places or cause loss or destruction of significant scientific, cultural, or historical resources?
- Does the action threaten to violate a Federal, State, or local law or requirement regarding the environment?

During the preparation of the EA, the State should consult with other agencies, such as Federal and State environmental agencies and local government officials, to the extent possible. In addition, the State should also involve the public and affected property owners. The State should consider any comments received in response to the public notice published as part of the eight-step process.

Conclusions drawn from the EA. The EA should result in one of two conclusions:

- a finding of no significant impact, indicating that further review is unnecessary; or
- a finding that the action will have a significant impact, necessitating preparation of a full Environmental Impact Statement (EIS).

Approval of the EA. If the State finds that the action will not have a significant impact, the Regional Director must prepare a statement to this effect in accordance with 40 CFR, Part

1501 (CEQ regulations). The Regional Director must then submit the statement and the EA to the Headquarters Environmental Officer and to the Office of General Council (OGC). If the Environmental Officer and OGC approve the finding, the Regional Director must make the finding public in the same manner as that employed for floodplain management notices. If the finding is not approved, the Regional Director must notify the State of this result. The State then has the opportunity to:

- deny the IFG Program grant for the action;
- eliminate the harmful element(s) as a condition of the grant award; or
- prepare an EIS.

The Regional Director may also decide, after his or her own evaluation of the EA, that an EIS should be performed. If this occurs, the State would still have the options listed above available.

The EIS. Most IFG Program actions are small, affect existing residences, and do not cause impacts that were not there before the disaster; therefore, an EIS is seldom required. However, if the Regional Director, Environmental Officer, or OGC determine, based on the EA, that a full EIS is required, the EIS should be prepared in accordance with the CEQ regulations at 40 CFR, Part 1502. Either the Regional office or the State may perform the EIS. If an EIS is to be prepared, the Regional Director must forward a notice of intent to prepare an EIS to the Environmental Officer FEMA Headquarters for publication in the Federal Register.

5. **EXECUTIVE ORDER 12898: ENVIRONMENTAL JUSTICE**

Executive Order 12898 was issued on February 11, 1994. This directive proscribes the provision of Federal assistance for actions that would adversely affect low income or minority populations. FEMA does not anticipate that IFG Program grants would adversely impact these populations. FEMA and State personnel with questions regarding the implementation of Executive Order 12898 should contact the Human Services Division, Response and Recovery Directorate, at FEMA Headquarters.

FEDERAL EMERGENCY MANAGEMENT AGENCY FLOODPLAIN MANAGEMENT ANALYSIS		O.M.B. NO. 3067-0163 Expires Jan 31, 1996		
NAME OF APPLICANT	COUNTY/STATE	SAMPLE APPLICATION NUMBER		
LOCATION OF PROPOSED SITE				
1. TYPE OF ACTION PROPOSED				
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> a. <input type="checkbox"/> REPAIR/REPLACE PRIVATE BRIDGE b. <input type="checkbox"/> REPAIR/REPLACE PROTECTIVE STRUCTURES c. <input type="checkbox"/> POOLING GRANTS TO PROVIDE A PRIVATE BRIDGE </td> <td style="width: 50%; vertical-align: top;"> d. <input type="checkbox"/> PROVISION OF PRIVATE BRIDGE e. <input type="checkbox"/> PROVISION OF PROTECTIVE STRUCTURE f. <input type="checkbox"/> PURCHASE OF MOBILE HOMES </td> </tr> </table>			a. <input type="checkbox"/> REPAIR/REPLACE PRIVATE BRIDGE b. <input type="checkbox"/> REPAIR/REPLACE PROTECTIVE STRUCTURES c. <input type="checkbox"/> POOLING GRANTS TO PROVIDE A PRIVATE BRIDGE	d. <input type="checkbox"/> PROVISION OF PRIVATE BRIDGE e. <input type="checkbox"/> PROVISION OF PROTECTIVE STRUCTURE f. <input type="checkbox"/> PURCHASE OF MOBILE HOMES
a. <input type="checkbox"/> REPAIR/REPLACE PRIVATE BRIDGE b. <input type="checkbox"/> REPAIR/REPLACE PROTECTIVE STRUCTURES c. <input type="checkbox"/> POOLING GRANTS TO PROVIDE A PRIVATE BRIDGE	d. <input type="checkbox"/> PROVISION OF PRIVATE BRIDGE e. <input type="checkbox"/> PROVISION OF PROTECTIVE STRUCTURE f. <input type="checkbox"/> PURCHASE OF MOBILE HOMES			
2. IS THE SITE IN THE 100-YEAR FLOODPLAIN ON A MAP ISSUED BY THE FEDERAL INSURANCE ADMINISTRATION?				
<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> *CAN'T TELL FROM MAP; NEEDS FURTHER SURVEY IS IT IN A FLOODWAY OR COASTAL HIGH HAZARD AREA (V-ZONE)? <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> *CAN'T TELL FROM MAP; NEEDS FURTHER SURVEY				
3. INDICATE WHETHER THIS SITE HAS BEEN DAMAGED IN THE PAST BY FLOODING, AND THE SOURCE OF THIS INFORMATION?				
<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> *DON'T KNOW				
SOURCE		DATE		
a. <input type="checkbox"/> PRESIDENTIAL EMERGENCY OR MAJOR DISASTER DECLARATION?				
b. <input type="checkbox"/> SMALL BUSINESS ADMINISTRATION (SBA) DECLARATION?				
c. <input type="checkbox"/> FARMERS HOME ADMINISTRATION (FmHA) DECLARATION?				
d. <input type="checkbox"/> STATE RESPONSE TO FLOODING?				
e. <input type="checkbox"/> INFORMATION FROM LOCAL OFFICIALS/CITIZENS?				
SAMPLE FORM				
4. WHAT ALTERNATIVES TO THE PROPOSED ACTION ARE THERE? LIST EACH AS (a), (b), (c), ETC. AND DESCRIBE FULLY. INCLUDE DISCUSSION OF OTHER SITES AND OTHER MEANS OF SOLVING THE PROBLEMS AND ACHIEVING THE GOAL. ALSO DESCRIBE THE PRACTICABILITY OF EACH ALTERNATIVE YOU IDENTIFY IN TERMS OF ENVIRONMENT, TECHNOLOGY, AND COST OF THE ALTERNATIVE AS COMPARED TO THE ORIGINAL PROPOSED ACTION. (Attach separate sheet if required)				
5. DESCRIBE THE IMPACTS THAT THE PROPOSED ACTION AND EACH IDENTIFIED ALTERNATIVE COULD HAVE ON THE FLOODPLAIN. (Attach separate sheet if required)				
6. DESCRIBE MEASURES WHICH CAN BE TAKEN TO MINIMIZE THE HAZARD OF THE FUTURE DAMAGE TO THE STRUCTURE OR FACILITY OR HARM TO THE OWNER, OR TO RESTORE AND PRESERVE THE FLOODPLAIN VALUES. GIVE REASONS FOR THE RECOMMENDATION IN TERMS OF ENVIRONMENT, COST (give cost estimate), AND TECHNOLOGY. ASSOCIATE EACH TYPE OF MEASURE WITH THE ACTION TO WHICH IT BELONGS. GIVE REASONS FOR THIS DETERMINATION. IF UNABLE TO ANSWER QUESTION, MARK "X" HERE AND SEE "X" BELOW. (Attach separate sheet if required)				
TYPED OR PRINTED NAME OF VERIFIER	AGENCY	COUNTY		
SIGNATURE		DATE		

Public Notice ^c
Repair of Private Bridges

The Federal Emergency Management Agency (FEMA) gives notice to the public of its intent to determine whether the repair, replacement, or construction of private bridges under the Individual and Family Grant (IFG) Program complies with the President's Orders on Floodplain Management (Executive Orders 11988 and 11990). The proposed assistance is provided by [the State] with funding from FEMA under the authority of Public Law 93-288, as amended by Public Law 100-707, the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Repair, replacement, or construction of these bridges is necessary because of the major flooding in [counties] which were included in the President's Declaration of a Major Disaster for [State] (FEMA-*DR-*).

Some of these facilities are located within the 100-year floodplain or FEMA-designated floodway. Although the proposed actions may affect the floodplain or floodway, IFG Program assistance for the actions may be based on the following:

1. The bridges are part of existing road networks that must be maintained to provide access for residents and emergency vehicles.
2. No alternative sites are available.
3. No practical alternatives for crossing the floodplain or floodway exist.
4. No long-range adverse effects to the physical environment are known to exist.

FEMA may require that the proposed actions be accompanied by measures designed to mitigate the effects of future floods or the potentially harmful aspects of the actions, or both.

Interested persons may obtain information about the proposed actions and their locations at the Office of the Federal Coordinator at [address of the Disaster Field Office]. Comments about specific actions or about the application of the President's Orders on Floodplain Management to those actions should be submitted in writing to [name of Federal Coordinating Officer] at the above address by [date].

Final Notice

Notification is hereby given to the public that the Federal Emergency Management Agency (FEMA) intends to provide assistance under the authority of Public Law 93-288, as amended by Public Law 100-707, the Robert T. Stafford Disaster Relief and Emergency Assistance Act for the repair, replacement, or construction of private bridges as a result of the recent flooding in [counties], which were included in the President's Declaration of a Major Disaster for [State] (FEMA-*DR-*). These bridges are located in the 100-year floodplain or FEMA-designated floodway and were therefore subject to review under the President's Orders on Floodplain Management and Wetlands, Executive Orders 11988 and 11990. Public comment about the proposed actions was invited by public notice dated [date].

FEMA evaluated comments and other information received, along with social, economic, environmental, and safety considerations, and consulted with State and local officials to ensure compliance with applicable floodplain management and protection standards. FEMA has determined that the only practical alternative is to locate these bridges within the floodplain.

The proposed actions may be accompanied by certain measures designed to mitigate the effects of future floods or the potentially harmful aspects of the actions, or both.

Interested persons may obtain further information about these actions and their specific locations by calling [appropriate telephone number] on [days] between [hours of operation].

Figure 5-3: Final Public Notice for Floodplain Management Review

FEDERAL EMERGENCY MANAGEMENT AGENCY ENVIRONMENTAL REVIEW (IFG PROGRAM)		O.M.B. NO. 3067-0163 Expires Jan. 31, 1996
1. ACTION:		
<input type="checkbox"/> Private bridge (Check one) <input type="checkbox"/> Restoring <input type="checkbox"/> Repairing <input type="checkbox"/> Building <input type="checkbox"/> Funds for mobile home <input type="checkbox"/> Structural protective measures		
2. APPLICATION NUMBER	3. LOCATION	
4. PURPOSE AND NEED FOR THE PROPOSED ACTION		
5. DESCRIPTION OF THE PROPOSED ACTION		
6. ALTERNATIVES CONSIDERED		
7. ENVIRONMENTAL IMPACT OF ACTION AND ALTERNATIVES		
8. LISTING OF AGENCIES AND PERSONS CONSULTED		
9. CONCLUSION (Give reason for conclusion)		
<input type="checkbox"/> Finding of no significant impact <input type="checkbox"/> Environmental impact statement required		
10. PRINTED NAME AND SIGNATURE OF PREPARER	DATE	
11. PRINTED NAME AND SIGNATURE OF REGIONAL DIRECTOR	DATE	
12. PRINTED NAME AND SIGNATURE OF FEMA ENVIRONMENTAL OFFICER	DATE	
13. PRINTED NAME AND SIGNATURE OF GENERAL COUNSEL OFFICER	DATE	

FEMA Form 76-30, APR 95

REPLACES ALL PREVIOUS EDITIONS

INDIVIDUAL AND FAMILY GRANT PROGRAM

Figure 5-4: FEMA Form 76-30, "Environmental Review (IFG Program)" 5-37

Chapter 6
Other Assistance

Chapter 6:

The IFG Program in Relation to Other Forms of Disaster Assistance

This chapter describes the major forms of disaster assistance that are available to individuals and families and the relationship of those forms of assistance to the IFG Program.

1. FEDERAL REQUIREMENTS FOR INDIVIDUAL ASSISTANCE

Duplication of benefits refers to the provision of assistance for a particular expense or need by more than one source of assistance.

Section 312 of the Stafford Act, "Duplication of Benefits," prohibits duplication of benefits between and among Federally sponsored disaster assistance programs and insurance.

Federal regulations at 44 CFR, Section 206.191, provide for a procedure called the "delivery sequence." The sequence is intended to prevent one means of assistance from duplicating another. The delivery sequence is as follows:

- emergency assistance provided by voluntary agencies;
- insurance proceeds;
- home repair grants provided by the Disaster Housing Program;
- loan funds provided by the Small Business Association (SBA);

- the IFG Program;
- additional assistance provided by voluntary agencies;
- the Cora Brown fund; and
- additional assistance funded entirely by the State.

The IFG Program is intended to provide assistance for necessary expenses and serious needs if these needs cannot be met through other means of assistance. By virtue of the IFG Program's position in the delivery sequence, the State may not award an IFG Program grant until the applicant has been found ineligible for, or has been denied, an SBA loan, or receives a loan that is insufficient to meet his or her necessary expenses and serious needs. The amount of the grant also may be affected by insurance proceeds and by assistance received from the Disaster Housing Program. Assistance from a voluntary agency may or may not affect the grant. The chart in Figure 6-1 shows the potential for duplication of benefits between the IFG Program and other programs in the delivery sequence.

Duplication and grants awarded out of sequence. If an agency duplicates assistance provided by another means, or provides assistance to an applicant out of sequence, that agency must recover the funds from the applicant.

The State may determine that an applicant has an immediate need that must be met by the IFG Program even though the applicant may be eligible for assistance from another source in the delivery sequence. In such a case, the State may award a grant if the applicant certifies that he or she will return the amount of the grant when assistance from the other source becomes available.

For example, an applicant needs a refrigerator to keep medication for her child. She is eligible for an SBA loan; however, SBA may take several weeks to process the loan. To prevent hospitalization of the child, the State may award a grant so that the applicant can immediately obtain a refrigerator. If SBA eventually approves the loan, the applicant must reimburse the State for the amount of the grant.

Welfare-related programs. Assistance provided under the IFG Program must not be counted as income for welfare programs or other income-tested programs supported by the Federal Government.

Welfare programs are not considered governmental disaster assistance programs, nor are they considered assistance from other means. Accordingly, grant applicants need not apply for or be denied this assistance before being determined eligible for a grant from the IFG Program. However, if an applicant receives assistance from a welfare program specifically for a disaster-related need (for example, assistance with a disaster-related medical expense), the State may deduct the amount of the assistance from the IFG Program grant for that need.

Casualty loss refunds. A refund from the Internal Revenue Service resulting from a casualty loss claim may have an impact on an applicant's ability to recover from the effects of a disaster. FEMA regards such refunds as a resource of the individual or family. The State should not consider these funds when determining grant award amounts.

2. THE DELIVERY SEQUENCE

A. EMERGENCY ASSISTANCE PROVIDED BY VOLUNTARY AGENCIES

Several private and charitable voluntary organizations participate in response and recovery operations. These include the American Red Cross (ARC), the Salvation Army, and the Mennonite Disaster Service. The voluntary organizations play a major role in the immediate response to a disaster, distributing food, clothing, supplies, and medicine, providing shelter for victims, and participating in the rehabilitation and reconstruction of community services. Under the Stafford Act, FEMA may request the aid of the personnel and services of these organizations as part of the response and recovery effort.

Emergency assistance provided by ARC and other voluntary agencies to meet the immediate needs of disaster victims usually consists of what are termed "expendable items." Expendable items are those that are considered short term, consumable items and are distributed as emergency supplies. Such items as food, clothing, linens, and basic kitchenware such as pots, pans, utensils, and small appliances are considered expendable. These items do not duplicate the assistance provided by the IFG Program or any other disaster program administered by FEMA.

Voluntary agencies also provide disaster victims with funds for home repairs and household items, including appliances, necessary to make residences habitable. They may also provide assistance with payment of medical bills. *This assistance is considered duplicative.* FEMA relies on verification to prevent duplication of benefits when voluntary agencies provide such assistance. If a voluntary agency has provided an applicant with assistance for home repairs or

purchase of personal property items prior to the rendering of IFG Program assistance, the applicant's needs for this assistance have been met and the needs are not recorded by FEMA's inspector during damage verification. The State must verify and account for any assistance with medical, dental, or funeral expenses when determining grants in these categories.

A disaster victim is not required to apply to a voluntary agency for assistance as a to receive assistance from the IFG Program; therefore, the State must not delay IFG Program processing to await completion of the voluntary agencies' assistance efforts.

As part of its quality control process (see Chapter 9), the State should make random checks to ensure that the IFG Program is not duplicating assistance provided by the voluntary agencies.

B. INSURANCE

Proceeds received or offered because of the settlement of an insurance claim must be considered assistance from other means when determining IFG Program eligibility.

Types of insurance that may be applicable to a disaster loss include:

- homeowner's and mobile home insurance;
- flood insurance;
- earthquake insurance;

- automobile insurance;
- medical and dental insurance, including Medicaid and Medicare benefits; and
- burial insurance.

Some insurance policies may contain a mortgage clause that applies if a homeowner has borrowed to finance his or her home. A mortgage company may exercise its right to receive the insurance benefits to which the insured person is normally entitled for real estate repair. Similarly, a bank holding vehicle loan may take an applicant's vehicle insurance benefits to pay off the loan. In either situation, the applicant may not be left with funds sufficient to repair or replace the damaged property. The State may make a grant for this shortfall if the State determines that the shortfall is a necessary expense or serious need.

The State should not consider proceeds from a life insurance or accidental death policy when determining the amount of an IFG Program grant award. Life insurance and accidental death insurance are considered family resources and are not considered duplicative. Burial insurance or funeral benefits provided by another agency must be considered only when awarding a grant for funeral expenses.

Applicants with insurance. During registration, each disaster victim is asked about the types of insurance coverage he or she has. If the victim states that he or she has insurance coverage for the damage sustained, the registration does not become an IFG Program application until the victim notifies FEMA or the

State that the insurance claim has been settled but is insufficient to meet all necessary expenses and serious needs. FEMA is responsible for notifying the victim of his or her responsibilities and for obtaining any insurance information from the victim. The State is responsible for verifying insurance information as part of the eligibility determination.

Determining the amount of the IFG Program grant award when insurance is considered. The State must determine the amount of the grant award by category, given the settlement that the applicant received, if any, from his or her insurance policy for losses in that category. The determination should be made on an aggregate basis; analyzing the applicant's settlement item-by-item is neither required nor recommended. The basic concept for this determination is that the amount of the insurance settlement should be subtracted from the needs of the applicant, as determined through verification by FEMA and the State. The difference, which represents the applicant's unmet needs, is the amount of the award.

$$\begin{aligned} \text{Verified expenses/needs} - \text{insurance settlement} &= \text{Unmet expenses/needs} \\ &= \text{Award amount} \end{aligned}$$

Necessary expenses and serious needs are not defined by the applicant's total loss. For example, if the applicant's antique china was not covered by the insurance settlement, the State may not award a grant for its replacement.

The following examples illustrate this concept. For all of the examples, "verified expenses/needs" refers to necessary expenses and serious needs *verified by FEMA, not by the insurance company*. Additionally, the phrase refers to the insurable portion of the expenses and needs only.

Example 1: Expenses/needs within a category greater than insurance settlement for that category.

Verified expenses/needs	\$8,000
Settlement	<u>-3,000</u>
	\$5,000

Unmet expenses/needs	=	\$5,000
IFG Program award	=	\$5,000

Example 2: Settlement within a category = expenses/needs within that category.

Verified expenses/needs	\$5,000
Settlement	<u>-5,000</u>
	\$ 0

Unmet expenses/needs	=	\$0
IFG Program award	=	\$0

Example 3: Expenses/needs greater than maximum grant. This example includes expenses/needs in more than one category.

	<u>Real property</u>	<u>Personal property</u>
Verified expenses/needs	\$25,000	\$8,000
Settlement	<u>-15,000</u>	<u>-3,000</u>
	\$10,000	\$5,000
Total unmet expenses/needs	= \$15,000	
IFG Program award	= \$12,600	

The State may not award a grant that exceeds the maximum allowable grant. The figure used here is an example; see Appendix B for current maximum allowable grant.

Example 4: Settlement greater than expenses/needs in one category, but not in another category.

	<u>real property</u>	<u>personal property</u>
Verified expenses/needs	\$20,000	\$5,000
Settlement	<u>-30,000</u>	<u>-2,000</u>
	\$(10,000)	\$3,000
Total unmet expenses/needs	= \$3,000	
IFG Program award	= \$3,000	

The surplus \$10,000 settlement for real property meets the applicant's expenses/needs in that category. However, the applicant has unmet needs in the personal property category.

Deductibles. In most cases, an insurance settlement involves a deductible amount that is the insured's responsibility. The State should not automatically award an IFG Program grant based solely on the deductible amount. Rather, the State may award a grant only if the applicant has needs that are unmet by the settlement received after the deductible is considered.

Gross settlement – deductible amount = Net settlement

Verified expenses/needs – net settlement = Unmet expenses/needs
= IFG Program award

The following examples illustrate this concept.

Example 5: Expenses/needs within a category greater than settlement within that category when deductible is considered.

Gross settlement	\$10,000
Deductible	<u>– 5,000</u>
Net settlement	\$ 5,000
Verified expenses/needs	\$ 8,000
Net settlement	<u>– 5,000</u>
	\$ 3,000
Total unmet expenses/needs	= \$3,000
IFG Program award	= \$3,000

Example 6: Applicant does not receive a settlement due to deductible.

Gross settlement	\$ 300
Deductible	<u>-500</u>
Net settlement	\$ 0

Verified expenses/needs	\$ 300
Net settlement	<u>- 0</u>
	\$ 300

Unmet expenses/needs =	\$ 300
IFG Program award =	\$ 300

Example 7: Applicant's needs within a category are met by settlement in that category, even when deductible is considered.

Gross settlement	\$30,000
Deductible	<u>- 5,000</u>
Net settlement	\$25,000

Verified expenses/needs	\$20,000
Net settlement	<u>-25,000</u>
	(\$5,000)

Total unmet expenses/needs =	\$0
IFG Program award =	\$0

The surplus \$5,000 settlement exceeds the verified expenses/needs. Therefore, the applicant has no unmet needs. The State does not award an IFG Program grant for the deductible.

C. THE DISASTER HOUSING PROGRAM

The Disaster Housing Program is authorized by Section 408 of the Stafford Act and is administered by FEMA in accordance with Federal regulations specified in 44 CFR, Section 206.101. The most common forms of assistance provided by the program are rental assistance grants for eligible applicants in need of temporary housing and home repair grants for eligible homeowners.

Relationship of the Disaster Housing Program to the IFG Program. A Disaster Housing Program grant for rental assistance does not duplicate assistance provided by the IFG Program. The State must not deduct the amount of a rental assistance grant from an IFG Program grant award.

The majority of applicants with real property needs receive assistance from the Disaster Housing Program in the form of home repair grants. However, when an applicant has real property needs that cannot be met by the Disaster Housing Program, FEMA may refer the applicant to the IFG Program for assistance. Assistance provided by the Disaster Housing Program may be affected by the maximum and minimum amounts for home repair grants awarded under the Disaster Housing Program set by FEMA during initiation of a disaster recovery effort. An applicant's needs may "roll over" to the IFG Program in the following ways.

- The applicant's home repair costs exceed the maximum allowable Disaster Housing Program grant amount set by FEMA. One of the following may occur:

1. The applicant is referred to the IFG Program for assistance with all home repair costs; or
 2. The home repair costs exceeding the maximum allowable are referred to the IFG Program.
- The applicant's home repair costs are less than the minimum allowable Disaster Housing Program grant amount set by FEMA. The applicant may be referred to the IFG Program for assistance with all costs.
 - The applicant's home repair costs are within the limits set for the Disaster Housing Program. However, for health and safety reasons, the applicant receives rental assistance. The applicant may be referred to the IFG Program for assistance with all repair costs.

FEMA decides to exercise one or more of the above-listed options on a case-by-case basis. The State may award IFG Program grants for real property upon reviewing cases that "roll over" from the Disaster Housing Program. The State may not award a grant that exceeds the maximum allowable under the IFG Program. The following examples illustrate the "roll over" concept.

Example 1: Cost of home repairs exceeds maximum allowable Disaster Housing Program grant. All home repair costs referred to the IFG Program.

Cost of eligible repairs	- \$10,000
Maximum allowable Disaster Housing Program grant	- \$5,000
Home repair assistance provided by Disaster Housing Program	= \$0
Amount of "roll over" to the IFG Program	- \$10,000
Amount considered for IFG Program assistance	= \$10,000

Example 2: Cost of home repairs exceeds maximum allowable Disaster Housing Program grant. All excess home repair costs referred to the IFG Program.

Cost of home repairs	= \$20,000
Maximum allowable Disaster Housing Program grant	= \$5,000
Home repair assistance provided by Disaster Housing Program	= \$5,000
Amount of "roll over" to the IFG Program	= \$15,000
Amount considered for IFG Program assistance	= \$12,600

The State may not award an IFG Program grant that exceeds the maximum allowable grant. See Appendix B for the current maximum allowable grant amount.

Example 3: Cost of home repairs is less than minimum Disaster Housing Program grant. All home repair costs referred to the IFG Program.

Cost of home repairs	- \$75
Minimum Disaster Housing Program grant	- \$100
Assistance provided by Disaster Housing Program	- \$0
Amount of "roll over" to IFG Program	- \$75
Amount considered for IFG Program assistance	- \$75

Hazard mitigation measures. Hazard mitigation measures may be identified during the inspection of a damaged residence (see Chapter 4 for a description of this category). Grants for hazard mitigation are awarded under the Disaster Housing Program. However, hazard mitigation measures may "roll over" to the IFG Program, as described above. The State awards an IFG Program grant in such cases if the measures are intended to prevent future damage to an eligible item damaged during the disaster, and if the maximum grant limitation has not been reached.

Mobile home sales. The Disaster Housing Program may sell mobile homes to disaster victims. IFG Program grants for real and personal property may be used towards the purchase of a mobile home under this program.

D. SBA AND DISASTER LOANS

SBA provides loans for repair or replacement of private homes, personal property, vehicles, and business property, and working capital loans to assist small businesses through the disaster recovery period. While FEMA's disaster registration serves as a means of entrance into SBA's disaster assistance loan program, SBA has its own application and loan approval procedures. In addition, SBA performs its own damage inspections to verify property losses.

During registration, disaster victims may apply for assistance with business damage. SBA's business loans do not affect the IFG Program or any of FEMA's individual assistance programs. Therefore, detailed information on SBA business loans is not provided in this handbook.

Relationship of SBA to the IFG Program. A flow chart showing the various ways SBA and the IFG Program interact is shown in Figure 6-2.

An applicant may be required to apply to SBA before his or her application is referred to the IFG Program for assistance in the following categories:

- housing and other real property;
- personal property, including essential tools and durable medical equipment (such as a wheelchair) owned by the applicant prior to the disaster; and
- transportation (vehicle).

If an applicant has necessary expenses or serious needs in the following categories, FEMA refers his or her application directly to the IFG Program:

- medical, dental, or funeral needs not covered by insurance;
- expenses for moving and storage or other protective measures;
- non-vehicle transportation needs; and
- expenses related to mobile home towing and hook-up.

Referral to SBA or to the IFG Program. Referral of applicants to either SBA or to the IFG Program and application processing by FEMA are discussed in Chapter 7.

Limited (partial) approvals. SBA may approve a loan but limit the amount of the loan based on the applicant's repayment ability. The limit is based on SBA's assessment of the applicant's financial situation, not on the applicant's request for a smaller loan. This type of loan is referred to as a "limited (or partial) approval." The loan amount is insufficient to cover the damage verified by SBA, and may also be insufficient to cover the applicant's necessary expenses and serious needs, as defined by the IFG Program. SBA refers applicants through FEMA in these cases to the IFG Program for possible assistance with unmet needs. When SBA refers such cases to the IFG Program, it sends SBA Form 1833, "SBA Referral for Borrowers with Limited Repayment Ability," to FEMA. FEMA forwards this document to the State. An example of SBA Form 1833 is given in Figure 6-3.

The State must determine if the loan amount is sufficient to meet the applicant's necessary expenses and serious needs. The State defines these needs by using the inspection report provided by FEMA.

An applicant must use an SBA loan for its approved purpose. For example, an applicant must use an SBA real property loan to purchase, or make repairs to, real property. Therefore, the State must evaluate an applicant's unmet needs within the category for which the loan was made.

The following examples illustrate the effects of limited approvals on IFG Program grant determinations. For both examples, "verified expenses/needs" refers to necessary expenses and serious needs *verified by FEMA, not by SBA*.

Example 1: Limited approval for all applicable categories.

	<u>Real property</u>	<u>Personal property</u>
Verified expenses/needs	\$19,000	\$2,000
SBA loan amounts	<u>-18,000</u>	<u>0</u>
	\$1,000	\$2,000
Total unmet expenses/needs	= \$3,000	
The State may award up to \$1,000 for real property and up to \$2,000 for personal property.		

Example 2: Limited approval in one category only.

	<u>Real property</u>	<u>Personal property</u>
Verified expenses/needs	\$19,000	\$2,000
SBA loan amounts	<u>-24,000</u>	<u>- 0</u>
	(\$5,000)	\$2,000

Total unmet expenses/needs = \$2,000

The State may award up to \$2,000 for personal property, but does not award a grant for real property.

E. ADDITIONAL ASSISTANCE PROVIDED BY VOLUNTARY AGENCIES

Voluntary agencies, such as ARC, provide additional assistance to make up for any shortfall that exists once a victim has applied to all other available programs, including the IFG Program. FEMA strongly recommends that voluntary agencies delay ongoing assistance, other than emergency assistance, until applications are processed through the delivery sequence.

If an applicant has unmet necessary expenses and serious needs after receiving a maximum grant from the IFG Program, the State routinely refers the applicant to ARC for additional assistance. An example of the letter used for this purpose is shown as Figure 7-10 (see Chapter 7).

F. CORA BROWN FUND

The late Cora C. Brown of Kansas City, Missouri, left part of her estate to the Federal Government intending that the funds be used to aid disaster victims. Section 601(b) of the Stafford Act allows FEMA to accept and use such bequests for award to eligible applicants. Use of the Cora Brown Fund is governed by Federal regulations at 44 CFR, Section 206.181.

The Cora Brown Fund is used for disaster-related needs of individuals or families who are unable to obtain adequate assistance from Federal, State, and local government programs or from voluntary agencies. The fund is not intended to replace or supersede those programs; therefore, if assistance is available from another source, such as the IFG Program, the Cora Brown Fund may not be used. Awards from this fund may be granted only at the discretion of the Director, Human Services Division, Response and Recovery Directorate.

The Cora Brown Fund falls after the IFG Program in the delivery sequence, and is therefore not a factor in determining the eligibility of IFG Program awards.

G. ADDITIONAL IFG PROGRAM ASSISTANCE FUNDED ENTIRELY BY THE STATE

The State may provide assistance with disaster-related necessary expenses and serious needs beyond that provided by the IFG Program. Such assistance must be funded entirely by the State.

3. OTHER FORMS OF FEDERAL ASSISTANCE

The Federal Government has other disaster assistance programs in addition to those discussed in this chapter. The benefits offered by these programs are not considered duplicative of assistance provided by the IFG Program; therefore, these programs are not discussed here. However, an IFG Program grant award may affect an applicant's ability to receive assistance from these programs. For more information on other Federal disaster assistance programs, the State should contact the FEMA IFG Coordinator or Human Services Officer during disaster recovery efforts, or the Response and Recovery Division of the appropriate FEMA Regional Office during non-disaster intervals.

Other Means of Assistance		Voluntary Agencies	Insurance	Disaster Housing Program	SBA	Other Sources
real property	housing repairs	✓	✓	✓	✓	
	provision of access		✓	✓	✓	✓ ¹
	cleaning/sanitation		✓	✓	✓	
	debris removal		✓	✓	✓	✓ ¹
	protective measures			✓		
	hazard mitigation/minimization			✓	✓	
	mobile home financing	✓	✓		✓	
	mobile home towing/setup	✓	✓	✓		
personal property	clothing	NONE				
	essential tools, etc.	✓	✓		✓	✓ ⁴
	durable medical equipment ²	✓	✓		✓	✓ ⁴
	other personal property	✓	✓		✓	
	repairing or cleaning	✓	✓			
	moving and storage	✓	✓			
privately-owned transportation	✓	✓		✓		
medical/dental expenses	✓	✓			✓ ⁴	
funeral expenses	✓	✓ ³			✓ ⁴	

¹May be performed under FEMA infrastructure assistance.

²Treated as personal property if owned prior to the disaster. Medical equipment is treated as a medical expense if required because of disaster.

³Does not include life insurance.

⁴Benefits from veterans groups, fraternal organizations, or other groups.

6-22 Figure 6-1: Potential Duplication of Benefits with the IFG Program

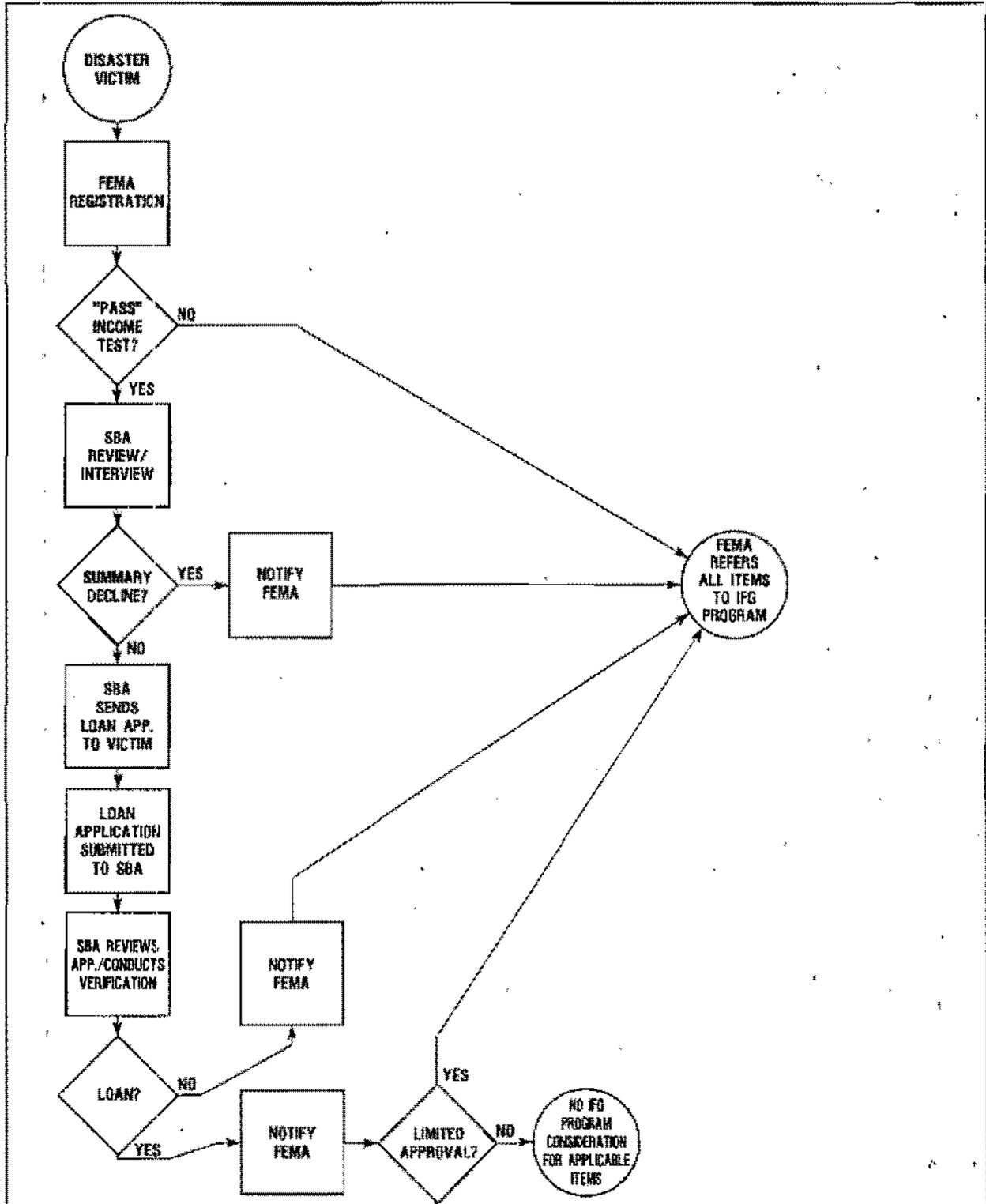


Figure 6-2: Relationship of SBA Loan Processing to the IFG Program

**U. S. Small Business Administration
SBA Referral for Borrowers With Limited Repayment**

FEMA

SBA

Declaration #	Registration #	Declaration #	Docket #
---------------	----------------	---------------	----------

Applicant/Borrower Name

Last	First	MI
------	-------	----

Joint Applicant/Borrower Name

Last	First	MI
------	-------	----

Damaged Property Address

Number	Street	Apt. #
City	State	ZIP
		County

**This loan was approved for less than SBA's eligibility
determination due to Applicant's Limited Repayment Ability**

Limited Loan Approved

	Verified Loss	Other Recoveries	Net Insurance Recoveries	Amount
Personal Property				
Real Estate				
Refinancing				
Hazard Mitigation				
Totals				

Attach copy of SBA's 739, Verification of Personal Property Damage

SBA Representative

Print name and title	Signature	Date
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SBA Form 1833 (4-92) Ref: SOP 50-30 Previous editions obsolete

Chapter 7: *Application Processing*

This chapter describes processing IFG Program applications, from registration to appeals of IFG Program case decisions. The chapter also discusses the verification responsibilities of FEMA and the State.

FEMA recognizes that there will be processing variations depending on the conditions at the time of the disaster, the State involved, and the management of each disaster recovery operation. Therefore, this chapter is intended to provide a general discussion of the functions necessary for a successful IFG Program.

For a complete description of application processing procedures, the use of FEMA's database, and notification letters used for the IFG Program, refer to the FEMA document entitled "Individual and Family Grant Program, ADAMS User Manual of FEMA/State," dated April 1995. This document may be obtained from the appropriate Regional Office.

1. SYSTEM OVERVIEW

A flow chart representing application processing is given in Figure 7-1. The chart shows the basic processing responsibilities of FEMA and the State. For simplification, the chart does not reflect Small Business Administration (SBA). The applicant's status with regard to SBA must be determined before FEMA refers applications with real property, personal property, or transportation (vehicle) needs to the State for processing.

2. REGISTRATION

A disaster victim registers for assistance, either at a Disaster Application Center (DAC) or through Teleregistration (see Chapter 2).

A. INSURANCE CONSIDERATIONS

During registration, the registrar asks the applicant about the type(s) of insurance coverage he or she has. If the applicant has insurance to cover the losses he or she has incurred during the disaster, FEMA does not refer the application to the IFG Program until the applicant notifies FEMA that the settlement will be significantly delayed or is insufficient to meet his or her needs.

If the applicant has necessary expenses and serious needs not covered by insurance, FEMA refers the application to the IFG Program even though the applicant may have insurance for other necessary expenses and serious needs. For example, an applicant's residence is destroyed by a tornado. The applicant has homeowner's insurance, but does not have medical insurance. FEMA transmits the application for a medical grant to the State, even though the applicant's homeowner's insurance may cover damage to the residence.

B. SBA CONSIDERATIONS

The categories for which SBA provides assistance, and could possibly duplicate assistance provided by the IFG Program, are: real property; personal property, including essential tools and durable medical equipment owned before the disaster; and transportation needs resulting from damage to a vehicle. Needs in

other categories are unaffected by an applicant's status with regard to SBA and are referred to the IFG Program as soon as possible.

The income test. Whether the applicant is immediately referred to SBA or the IFG Program depends on his or her repayment ability and family size. SBA provides FEMA with income test tables that FEMA uses to determine if the applicant's income is sufficient to repay an SBA loan (an example of an income test table is given in Figure 7-2). If the applicant's income is below the amount SBA considers necessary to support a loan, the registrar refers the application directly to the IFG Program. An applicant whose income level is at or above the amount specified in the table is referred to SBA.

Self-employed applicants seeking only business loans are automatically referred to SBA. However, self-employed applicants seeking assistance for non-business necessary expenses and serious needs that may be eligible under the IFG Program are referred either to the IFG Program or SBA based on the income test procedures.

Referral to the IFG Program. A flow chart showing the various ways SBA and the IFG Program interact is shown in Figure 6-2 (see Chapter 6). SBA may refer the applicant to the IFG Program in one of the following ways:

- **Summary decline:** After interviewing the applicant, an SBA representative determines that the applicant will be unable to repay a loan. The applicant receives an SBA "summary decline" and is referred by SBA through FEMA to the IFG Program.

- **Formal decline:** The applicant submits a formal loan application. If the loan is denied, SBA refers the applicant through FEMA to the IFG Program.
- **Limited (partial) approval (see Chapter 6):** The applicant submits a loan application and is approved for a loan. The amount of the loan is limited by the applicant's ability to repay, and the loan limit is less than the amount of damage verified by SBA. The applicant is referred through FEMA to the IFG Program for assistance with necessary expenses or serious needs that have not been met by the SBA loan.

FEMA's database is used to track an applicant's status with regard to SBA. When FEMA enters registrations into the database, referrals to the IFG Program through the income test or through summary declines are immediately recorded. If the applicant must complete an SBA loan application, FEMA records this fact in the database, and FEMA does not transmit the application to the State until SBA notifies FEMA of a formal decline or limited approval.

Refusal to apply for, or to accept, an SBA loan. The national eligibility criteria for the IFG Program provide that an applicant who is required to apply for an SBA loan be denied the loan before receiving assistance from the IFG Program. If the applicant is referred to SBA through the income test but refuses to submit a loan application to SBA, this is noted on the registration and the applicant is ineligible for assistance from the IFG Program for the real and personal property and transportation (vehicle) categories. Similarly, if an applicant refuses to accept an SBA loan or to accept the full amount of the loan, he or she is ineligible for IFG Program assistance in these categories.

Late SBA applications. As described in Chapter 2, the State will accept applications to the IFG Program for 60 days after the declaration date, or for as long as FEMA continues to accept registrations from disaster victims. In some cases, the formal decline issued by SBA occurs after the application period has expired. If the applicant applied to SBA in a timely manner and was subsequently referred to the IFG Program by SBA after the application period, the State must accept and process the application. However, if the applicant applied to SBA after the application period expired, he or she must show that extenuating circumstances beyond his or her control caused the delay in applying. Such circumstances may include sickness, hospitalization, or inaccessibility to a DAC or Teleregistration. Normally, SBA determines if it should accept an untimely loan application based on the circumstances involved. If SBA accepted the loan application, the State may subsequently accept an application for IFG Program assistance. Alternatively, the State may review SBA's determination and decide not to process the application. This decision is left to the State's discretion.

3. PROCESSING APPLICATIONS

After a registration has been taken at a DAC or through Teleregistration, it is transmitted to FEMA's central processing location. At this point, processing is determined by the needs of the applicant and his or her status with regard to insurance, the Disaster Housing Program, and SBA. FEMA also determines which applicants require verifications of real and personal property and transportation (vehicle) damage.

FEMA may transmit an application to the State immediately if the applicant has necessary expenses or serious needs in the following categories:

- medical, dental, or funeral needs;
- expenses for moving and storage or other protective measures;
- non-vehicle transportation needs; and
- expenses related to mobile home towing and hook-up.

These IFG Program categories are not dependent on an SBA decline because loan funds cannot be used for these needs. Additionally, needs in these categories are not verified by FEMA's inspectors; they are verified by the State, as described below.

SBA status and FEMA inspections. If the applicant indicates during registration that he or she has real property damage or is no longer able to live in his or her residence, verification is performed immediately by a FEMA inspector, regardless of the applicant's SBA status, so that the Disaster Housing Program can provide assistance as necessary. However, if the applicant must apply to SBA and has personal property needs or transportation (vehicle) damage, or both, and does not have real property damage, FEMA does not conduct an inspection to verify damage unless the applicant has been denied an SBA loan or has received a personal property or vehicle damage loan that is insufficient to meet his or her necessary expenses and serious needs.

Once the applicant has received an SBA decline, and verification has been performed as appropriate, FEMA transmits the application to the State for processing.

Withdrawals from the IFG Program. An application may be withdrawn from the IFG Program in the ways described below. In all cases, the State must send the applicant a letter confirming the action.

- Voluntary withdrawal from all categories: the applicant may withdraw voluntarily from the IFG Program, either in writing or by contacting FEMA or the State by telephone.
- Voluntary withdrawal by category: the applicant determines that he or she does not need assistance for a specific category, but may need assistance in other categories. For example, an applicant determines that she does not require assistance with a medical expense, but still requires assistance with personal property needs.
- Withdrawal—no contact: FEMA or the State has been unable to contact the applicant to arrange for an inspection, or the State has not received information that was requested and is unable to contact the applicant. The State may notify the applicant by letter that his or her application will be withdrawn from consideration, or the State may send a letter denying IFG Program assistance.

Information updates. FEMA's database must be updated to reflect all actions taken regarding an application. These actions include:

- grant determinations (awards or denials) and award amounts;
- withdrawals;
- supplemental or additional grant award amounts; and
- application update information, such as changes to addresses and telephone numbers provided to the State by the applicant.

The State must coordinate the exchange of this information with FEMA so that updates are timely.

4. VERIFICATION

Necessary expenses and serious needs are verified through on-site inspections or using supporting documentation, such as estimates or receipts, submitted by the applicant.

A. RESPONSIBILITIES FOR VERIFICATION

FEMA verifies the following through on-site inspection:

- real property needs;
- personal property needs; and
- transportation (vehicle) needs in cases where the applicant also has real or personal property needs, or both.

For real property, FEMA inspectors also verify ownership and primary residency.

The data collected during the inspection are used for both the Disaster Housing Program and the IFG Program.

The State verifies the following by reviewing documentation submitted by the applicant:

- medical and dental expenses;
- funeral expenses;
- expenses related to essential tools;
- expenses for moving and storage and other protective measures;
- expenses related to mobile home towing and hook-up;
- transportation needs in cases where the applicant has vehicle damage but does not have real or personal property needs; and
- non-vehicle transportation needs.

If FEMA personnel are no longer working in the disaster area, the State may perform on-site inspections. Situations requiring State inspections include, but are not limited to, the following:

- An applicant requests a reconsideration of the State's award decision.
- An applicant appeals the State's award decision.
- The State receives a late application.

Verifying the flood insurance requirement. An applicant may be required to purchase flood insurance to receive IFG Program assistance. The applicant may be ineligible for assistance in some categories if he or she lives in a Special Flood

Hazard Area (SFHA) in a community that is not participating in, or is sanctioned by, the National Flood Insurance Program (NFIP). Flood insurance requirements for the IFG Program are described in Chapter 5.

The location of an applicant's residence relative to SFHAs must be determined before the State may apply flood insurance requirements. In flooding disasters, FEMA is responsible for determining, using Flood Hazard Boundary Maps or Flood Insurance Rate Maps, if an applicant's residence is located in an SFHA. This information is noted on the registration or in FEMA's database.

The State determines if the applicant is eligible for assistance, given the flood insurance requirements, and if the applicant is required to purchase and maintain flood insurance. The State must determine if:

- the applicant is required to purchase and maintain flood insurance to receive assistance;
- the applicant is ineligible for assistance in certain categories based on the status of the community's participation in the NFIP; and
- the applicant is ineligible based on his or her failure to maintain a flood insurance policy required as a condition for receiving assistance in a previous disaster.

Other floodplain management requirements. The State is also required to notify FEMA of cases requiring a floodplain management review (the eight-step process) or environmental review, and to participate in the review, as described in Chapter 5. Cases requiring these actions are: purchasing a mobile home;

repairing or restoring a private bridge (or pooling grants to do so); and installing structural protective measures.

If the community in question contains Coastal Barrier Resources System (CBRS) units, the State may determine or request that FEMA determine if an applicant's residence is located in a CBRS unit. CBRS units are discussed in Chapter 5.

B. THE AUTOMATED CONSTRUCTION ESTIMATING SYSTEM (ACE)

ACE is the computer program that is used to electronically record inspections for the real and personal property and transportation (vehicle) categories. ACE enables the inspector to:

- receive applicant information from FEMA's database;
- schedule appointments with applicants;
- confirm and update applicant information;
- conduct the inspection room-by-room and record the level of damage to specific real and personal property items that have been identified by FEMA and the State;
- verify damage to vehicles;
- review the results of the inspection; and

- deliver completed inspection information via telephone line to FEMA's database.

The level of damage is recorded by the inspector as "X" (damaged but repairable); "Y" (some items repairable, others should be replaced); "Z" (replace all); or "NA" (not affected) (see Chapter 3).

For more information on ACE, State officials may refer to the FEMA document entitled "FEMA ACE User's Guide," issued in July 1995.

5. APPLICATION REVIEW AND ELIGIBILITY DETERMINATIONS

The State reviews the application, the inspection data supplied by FEMA, and documents submitted by the applicant to determine eligibility and the amount, if any, of the grant award.

The following section provides a general description of case processing, by category. Information regarding eligibility, verification, and grant determination are provided. FEMA recognizes that processing differences from State to State will affect the procedures described below; however, the basic concepts are applicable in all States.

The State must retain all documents related to the application review and the eligibility determination, including reconsideration and appeal documents, except for those documents that FEMA archives in its database. The State may keep these documents in electronic or "hard copy" format. Record keeping requirements are discussed in Chapter 10.

A. REAL PROPERTY

FEMA's Disaster Housing Program assists the majority of applicants with real property damage through home repair grants. However, the Disaster Housing Program may refer applications for assistance with real property needs to the State as described in Chapter 6.

Eligible expenses. Grants are awarded for owner-occupied, primary residences, including mobile homes, for expenses necessary to:

- repair, replace, or rebuild residences (including the cost of developing a mobile home site, towing, and setting up a mobile home);
- provide access to the residence (including repair or replacement of private roads or private bridges serving more than one family);
- clean and sanitize the residence;
- remove debris, if the debris constitutes a health or safety hazard to the residence or threatens to cause additional damage to the residence;
- provide minimal measures to protect residences against immediate threat of damage (including moving mobile homes to prevent or reduce damage); and
- implement hazard mitigation measures.

Other conditions of eligibility. The following conditions also apply to grants for real property.

- Damage must be disaster-related.
- Pre-existing damage is ineligible.
- Enhancements are ineligible, unless they are required by local building codes.
- Eligibility must be based on conditions existing at the time of the disaster.

Definitions of ownership, occupancy, and primary residency, examples of acceptable forms of documentation, and additional information on eligibility of real property are found in Chapter 4.

Conditions to be met by the applicant. To be eligible for an IFG Program grant for real property, an applicant must:

- file an insurance claim and find that the settlement does not meet his or her necessary expenses and serious needs;
- be determined ineligible for an SBA loan through the income test process, be denied an SBA loan, or receive an SBA loan that is insufficient to meet his or her needs;

- provide the inspector with proof of ownership, occupancy, and primary residency;
- provide FEMA or the State with receipts for any emergency repairs or work already done on the residence, if appropriate; and
- purchase and maintain flood insurance for the structure and its contents if the residence is in an SFHA and the damage was caused by flooding.

Determination of grant award. The State should perform the following when determining the grant award:

- Verify that the applicant has not received an insurance settlement, Disaster Housing Program assistance, or an SBA loan sufficient to cover necessary expenses and serious needs. The State must account for any assistance received from these sources when determining the grant award amount (see Chapter 6).
- Verify that all damage or expenses recorded during the registration process have been addressed.
- Ensure that home-ownership, occupancy, and primary residency have been verified.
- Ensure that ineligible items have been deleted from the proposed award amount.

If a mortgage company exercises its right to take the proceeds from an applicant's homeowner's insurance policy, the State may award an IFG Program grant for the applicant's unmet real property needs.

Denial. The State may deny a grant for the following reasons:

- The applicant's needs have been met by insurance, a voluntary agency, SBA, or other means.
- Ownership or occupancy cannot be verified, or the applicant does not own or occupy the residence.
- The damaged property is not the applicant's primary residence.
- The applicant has insurance but has failed to file a claim.
- The applicant is eligible for an SBA loan but fails to apply, withdraws his or her application, or refuses part or all of the loan; or SBA refuses to offer a loan because the applicant failed to purchase flood insurance as a condition for a previous SBA loan.
- The damage to the residence is not disaster-related.
- The residence is located in an SFHA in a non-participating or sanctioned community, the damage sustained in the current disaster was caused by flooding, and necessary expenses and serious needs are restricted to flood insurable items.

- The applicant was required to purchase and maintain flood insurance as a condition for receiving previous Federal disaster assistance and failed to do so, the damage sustained in the current disaster was caused by flooding, and the necessary expenses and serious needs are restricted to flood insurable items. The State may also deny a grant for repairs to flood damage if the previous owner of the residence received Federal disaster assistance for flood damage, and the applicant has not maintained flood insurance as required.
- The applicant's residence is listed by FEMA as a non-compliant property under Section 1316 of the National Flood Insurance Act of 1968.
- The residence is located in a CBRS unit.

If the State determines that the case involves a private bridge or road, a mobile home, or structural protective measures that would require a floodplain management review or environmental assessment, the State must take the appropriate steps (see Chapter 5). However, the State should not delay grant awards for real or personal property items not related to the item under review, or for other categories, while conducting the review.

B. PERSONAL PROPERTY

Eligible expenses. The types of personal property expenses for which grants can be awarded are:

- clothing;

- household items and furnishings;
- appliances and other mechanical devices;
- durable medical equipment owned by the applicant before the disaster, such as a wheelchair or eyeglasses;
- tools or specialized protective clothing and equipment required by an employer as a condition of employment;
- books, equipment, and supplies required for education or reference if the applicant is an enrolled college or trade school student or trainee;
- repairing, cleaning, or sanitizing any eligible personal property items; and
- moving and storing eligible personal property items to prevent or reduce damage.

Further information regarding the eligibility of personal property is in Chapter 4. Information regarding the determination of specific personal property items is in Chapter 3.

Other conditions for personal property. The following conditions also apply to grants for personal property. For more information on these conditions, see the referenced chapters.

- The applicant is not required to provide evidence of ownership of personal property items, except in cases where the applicant is a renter and his or her landlord may own furnishings and appliances (Chapter 4).
- Items not owned by the applicant prior to the disaster may be eligible, if he or she has a need for the items because of the disaster (Chapter 4).
- The State may award a grant for an item that is considered a necessary expense or serious need if the item was not in use at the time of the disaster.
- Damaged items at the applicant's secondary residence are ineligible. The State may make exceptions to this requirement (Chapter 4).
- For household items and furnishings, grant awards are based on the level of damage (X, Y, or Z) to specific rooms in the residence (Chapter 3).
- For appliances and mechanical devices, grant awards are based on whether a specific item should be repaired (X) or replaced (Z) (Chapter 3).
- For clothing, the State grants a single award amount (Z) for each member of the household determined to be eligible for a clothing grant (Chapter 4). The State must use the same award amount for adults and children regardless of age and gender.

Conditions to be met by the applicant. To receive an IFG Program grant for personal property, the applicant must:

- file an insurance claim and find that the settlement does not meet his or her necessary expenses and serious needs;
- be determined ineligible for an SBA loan through the income test, be denied an SBA loan, or receive an SBA loan that is insufficient to cover personal property needs;
- provide evidence of the need for essential tools, clothing, books, equipment, or supplies, including a statement from his or her employer, if necessary; and
- provide documentation, such as receipts or estimates, of expenses incurred in cleaning, repairing, moving, and storing eligible personal property items.

Determination of the grant award. The State should perform the following when determining the grant award:

- Verify that the applicant has not received an insurance settlement or SBA loan sufficient to cover necessary expenses and serious needs. The State must account for any assistance received from those sources when determining the grant award amount (see Chapter 6).
- Verify that all damage or expenses recorded during the registration process have been addressed.
- Verify that ineligible items have been deleted from the proposed award amount.

- Ensure that the listing of rooms and items damaged are consistent with the structural damage to the house. For example, if the inspection report indicates that water during a flood was only 4 inches deep inside a residence, it may not be necessary to replace all furnishings and appliances.
- Ensure that the number of bedroom and clothing allowances are consistent with family composition and room occupation.
- Request and review documentation from the applicant regarding expenses incurred in purchasing, repairing, cleaning, moving, and storing eligible items.

Denial. The State may deny a grant for personal property for the following reasons:

- The applicant's needs have been met by insurance, SBA, voluntary organizations, or other means.
- The items were not in use at the applicant's primary residence.
- The applicant has insurance but failed to file a claim.
- The applicant is eligible for an SBA loan but failed to apply, withdrew his or her application, or refused part or all of the loan; or SBA refused to offer a loan because the applicant failed to purchase a flood insurance policy for a previous SBA loan.

- The residence is located in an SFHA in a non-participating or sanctioned community, the current disaster was caused by flooding, and necessary expenses and serious needs are restricted to flood insurable items.
- The applicant was required to purchase and maintain flood insurance as a condition for receiving previous Federal disaster assistance and failed to do so, the damage sustained in the current disaster was caused by flooding, and necessary expenses and serious needs are restricted to flood insurable items.
- The applicant's residence has been listed by FEMA as non-compliant under Section 1316 of the National Flood Insurance Act of 1968.
- The applicant's residence is located in a CBRS unit.

C. TRANSPORTATION

Eligible expenses for vehicles. The State may award a grant for:

- repairs necessary to meet State requirements for safe, reliable transportation (cosmetic repairs are ineligible); or
- replacement of the damaged vehicle. The State may establish a maximum allowable grant amount for this purpose, as described in Chapter 4.

Other considerations for vehicles. The State may award a grant only if all of the following apply:

- Damage to the vehicle must be disaster-related.
- The damaged vehicle was in compliance with the State's laws regarding ownership. At the State's discretion, applicant compliance with registration, inspection or insurance requirements may also be necessary.
- The applicant has no other working vehicles (the State may make exceptions to this requirement, as described in Chapter 4).

Other transportation considerations. The State may award a grant if the applicant has a need for:

- assistance with public transportation costs;
- a form of transportation other than a vehicle (for example, a bicycle);
- a vehicle even though the applicant did not own one before the disaster;
- more than one working vehicle;
- assistance with additional transportation costs due to damage to a community's infrastructure; and
- assistance with transportation costs, and he or she is a migrant worker.

See Chapter 4 for conditions under which the State may award grants for these cases.

Conditions to be met by the applicant. To receive an IFG Program grant for a vehicle, the applicant must:

- file an insurance claim and find that the settlement does not meet his or her needs;
- be determined ineligible for an SBA loan through the income test, be denied an SBA loan, or receive an SBA loan that is insufficient to meet vehicle needs; and
- provide the State with proof of ownership and, if required to do so, with information demonstrating compliance with registration, inspection, and insurance requirements.

Determination of the grant award. The State should perform the following when determining the grant award for a vehicle:

- Verify that the applicant has not received an insurance settlement or SBA loan sufficient to cover necessary expenses and serious needs.
- Verify that the vehicle meets State requirements for ownership. At the State's discretion, applicant compliance with registration, inspection, or insurance requirements may also be necessary.
- Verify that the damage is disaster-related, and that the repairs are not cosmetic.

- Determine the number of undamaged vehicles in the household, if any, to verify that there is a need for vehicle repair or replacement.
- Funds received from salvage of a vehicle are considered duplicative and are deducted from the grant award for the vehicle.

The State must verify non-vehicle needs, such as for public transportation, if applicable.

If a bank or other lender exercises its right to take the proceeds from an applicant's vehicle insurance policy, the State may award an IFG Program grant for the applicant's unmet transportation needs.

The State may set a dollar limit for grant awards in this category (see Chapter 3).

Denial. The State may deny a grant for transportation for the following reasons:

- The applicant's needs have been met by insurance, SBA, or other means.
- The applicant has current comprehensive insurance coverage on the vehicle and failed to file a claim.
- The applicant is eligible for an SBA loan, but failed to apply, withdrew his or her application, or refused part or all of the loan.

- The State cannot verify ownership of the vehicle. The State may, at its discretion, deny a grant if the applicant does not comply with registration, inspection, or insurance requirements.
- The damage is not disaster-related.
- The damage is cosmetic only.
- The applicant has an undamaged vehicle that meets his or her needs for transportation.
- For cases involving non-vehicular forms of transportation, the need for transportation cannot be substantiated or is not disaster-related.

D. MEDICAL AND DENTAL EXPENSES

Eligible expenses. The types of medical expenses for which grants can be awarded are:

- treatment of a disaster-related injury or condition by a doctor or dentist, including hospitalization and ambulance services;
- purchase of medication necessary because of the disaster;
- purchase of medical equipment, such as a wheelchair, eyeglasses, or bridge work, necessary because of the disaster; and
- long-term, disaster-related treatment, if the State obtains certification of

need and an estimate of the duration and cost of treatment from the attending doctor or dentist.

Durable medical equipment, such as a wheelchair, that was owned by the applicant before the disaster is considered personal property.

Conditions to be met by the applicant. To receive an IFG Program grant for medical or dental expenses, an applicant must:

- submit a claim for insurance, or for Medicaid or Medicare, and provide the State with information regarding benefits;
- provide the State with all bills, receipts, and estimates for treatment, services, equipment, and medication;
- provide the State with a statement from the attending doctor or dentist that the expenses are necessary because of a condition caused by or exacerbated by the disaster; and
- in cases of long-term treatment, provide the State with certification that the required treatment is disaster-related, and with an estimate of the duration and cost of treatment.

Determination of the grant award. The State should perform the following when determining the grant award:

- Verify that the expense is disaster-related.

- Verify that long-term treatment is disaster-related, necessary, and substantiated by estimates and costs.
- Obtain all information relating to insurance or other medical or dental benefits.

Denial. The State may deny a grant for medical and dental expenses for the following reasons:

- The applicant's needs have been met by insurance, voluntary agencies, other benefit programs, or other means.
- The need for medical or dental care is undocumented as a necessary expense or serious need, or cannot be shown to be disaster-related.
- The applicant has a current insurance policy or is eligible for a benefits program that covers some or all of his or her expenses, but fails to file a claim.

E. FUNERAL EXPENSES

Eligible expenses. Disaster-related funeral expenses are eligible, including, but not limited to, the following:

- cost of the casket, mortuary services, the funeral, transportation of the body, interment or cremation, and death certificates;

- transportation of one family member to the disaster area to identify the deceased (transportation of family members to the funeral site is ineligible); and
- cost of reinterment, with supporting documentation, if the disaster resulted in disinterment of the body.

The State may determine that other specific expenses are eligible on a case-by-case basis.

Conditions to be met by the applicant. To receive an IFG Program grant for funeral expenses, the applicant must:

- apply for any insurance benefits available for burial and report the settlement (life and accidental death insurance need not be reported, because these benefits are not duplicative of IFG Program grants for funeral expenses);
- report assistance from any other sources, such as veterans groups;
- provide the State with a copy of the death certificate, if requested to do so; and
- submit all bills and receipts to the State.

Determining the grant award. The State should perform the following when determining the grant award:

- Verify that the death was disaster-related. Possible methods for verification are described in Chapter 4.
- Obtain any information regarding burial insurance or assistance provided by voluntary agencies or by veterans or fraternal organizations. Life insurance and accidental death insurance are considered family resources and should not be considered when determining the amount of the grant.
- Determine eligible expenses from bills and receipts provided by the applicant.
- Obtain a copy of the death certificate if the State has established this as a verification requirement.

The State may set a dollar limit for grant awards in this category (see Chapter 3).

Denial. The State may deny a grant for the following reasons:

- The death was not disaster-related.
- The applicant's burial needs have been met by insurance or other means.
- The deceased family member had burial insurance coverage, but the applicant failed to file a claim.

F. FLOOD INSURANCE PREMIUM

Eligible expenses. The following expenses related to purchase of a flood insurance policy are eligible:

- the cost of the first year's premium;
- the cost of services necessary to obtain flood insurance, such as a rating survey, and the additional premium cost if the home is actuarially rated as a result of a rating survey; and
- the surcharge applied to the premium, if the community in which the applicant resides has been placed on probation by FEMA.

Conditions of eligibility: The above-listed expenses are eligible if all of the following are true:

- The applicant's residence is located in an SFHA.
- The damage to the applicant's property was caused by flooding.
- The community is participating in the NFIP.
- The State is awarding a grant for insurable real or personal property, or both.
- The applicant has maintained a flood insurance policy if required to do so to receive assistance in a previous disaster.
- The applicant does not reside in a CBRS unit.

Responsibilities of the applicant. The applicant must use the grant to purchase adequate flood insurance, which is defined as a policy that will cover real or personal property, or both, up to the amount of the maximum IFG Program grant award. See Appendix B for the current maximum grant amount and requirements for flood insurance coverage.

The applicant must provide the State with proof of purchase of the flood insurance policy within the time frame specified by the State. Proof may consist of a written statement from an insurance agent or a copy of the policy declarations page.

Actions taken by the State if the applicant fails to purchase or maintain a flood insurance policy are described in Chapter 5.

Determination of the grant award. The amount of the first year's premium is affected by annual changes to minimum coverage requirements and by periodic adjustments to premium rates. The State must obtain current coverage requirements and premium rates from FEMA and update the State administrative plan accordingly.

Denial. The State may deny a grant for the cost of the premium if the applicant does not meet one of the six requirements specified above.

G. COST OF ESTIMATES

Eligible expenses. The cost of estimates for medical or dental services, funeral services, and vehicle repair may be eligible. If an applicant chooses to have an estimate of real or personal property damage performed as part of an appeal, the cost of the estimate is ineligible.

Conditions to be met by the applicant. The applicant must submit bills or receipts to the State.

Determination of the grant award. The grant is awarded based on the actual cost of the estimate. The State should compare the applicant's documentation to information regarding local rates for estimates.

H. "OTHER" ITEMS

The State may use the "other" category for disaster-specific items not specified in the national eligibility criteria and for grant awards in unique situations. The State plan must be amended to include disaster-specific items that the State designates as eligible under the "other" category. The State must fully document the eligibility determination for grants awarded in unique situations.

I. GRANTS FOR DESTROYED AND INACCESSIBLE HOMES

Grants for destroyed homes. If a residence is completely destroyed during a disaster, the applicant may be eligible for a maximum grant award. The State awards the maximum amount because the necessary expenses and serious needs for a destroyed residence almost always exceed the grant ceiling. A maximum grant may be awarded if all of the following apply:

- The applicant is the owner-occupant and the home is his or her primary residence.
- The applicant has been determined ineligible for an SBA loan through the income test or has been denied an SBA loan.

- The applicant does not have real or personal property insurance coverage.

A historical list of fiscal year maximum grant amounts is specified in Appendix B.

Grants for inaccessible homes. Following a disaster, residences may be unsafe for a FEMA inspector to enter. In these cases, FEMA cannot verify real and personal property damage unless safety restrictions are lifted. A determination regarding the applicant's necessary expenses and serious needs cannot be made until the residence is either accessible or condemned. FEMA and the State must jointly identify methods of assisting IFG Program-eligible applicants in such cases.

6. NOTIFICATION AND DISBURSEMENT

Once the State has made the eligibility decision, the State notifies applicants of grant determinations by letter, initiates the process for award disbursement, and notifies FEMA of the decisions and award amounts.

Rounding. FEMA recommends that the State round figures to the next highest dollar when determining grant award amounts. The State should then ensure that all records, database entries, and reports to FEMA reflect such rounding.

A. NOTIFICATION

Applicants are entitled to prompt notification by letter of grant decisions. FEMA provides the State with notification letters in electronic format to be used for this purpose (FEMA does not provide hard copies of the IFG letters to the State). If the State chooses to use its own letters, the State must prepare samples of the letters and include the documents in the State administrative plan. The State must ensure that these letters are updated annually to reflect changes in the maximum grant amount and the changes in flood insurance coverage requirements and premium costs.

Examples of letters are provided in Figures 7-3 through 7-14. The State may refer to the FEMA document entitled "Individual and Family Grant Program, ADAMS User Manual for FEMA/State," dated April 1995, for a complete set of notification letters.

Types of letters. Types of notification letters include:

- approval;
- supplemental award (used after reconsideration or appeal);
- denial;
- mobile home questionnaire (used when the 8-step process is required);
- withdrawal; and

- maximum grant award.

When flood insurance purchase and maintenance is a condition of the grant award, the award letter notifies the applicant of this requirement.

When the State awards a maximum grant that does not meet an applicant's necessary expenses and serious needs, the State routinely refers the applicant to the American Red Cross by letter (see Figure 7-10).

B. DISBURSEMENT

The State administrative plan must define all aspects of the State's disbursement procedures. Requirements for the State plan are discussed in Chapter 3.

Normally, IFG Program grant award payments are disbursed by the State's fiscal agency, rather than the IFG Program agency. The State is not required by Federal regulations to disburse grant awards within a certain period of time after the decision on the grant is made. However, the Stafford Act provides that the State must disburse grant awards expeditiously to meet applicants' needs. FEMA recommends that the State disburse each grant within 5 days of the approval date. In addition, the State must comply with the U.S. Treasury 3-day requirement for disbursing funds advanced through SMARTLINK (see Chapter 8).

The State agency administering the IFG Program should maintain a record of all disbursements, including date and check number.

Third party checks and garnishment. The State must make each grant award payment in the name of the applicant. Where appropriate, the State may make the grant award in the names of the applicant and co-applicant(s). The State may not prepare a grant award payment in the name of a third party, such as a disaster-related creditor or a contractor retained by the applicant to perform repairs.

IFG Program grant awards are not subject to garnishment. No one has the right to an IFG Program grant award except the grant recipient(s). The State, however, may recover grant funds from recipients in cases of fraud, misapplication of funds, duplication of benefits, or failure to provide proof of flood insurance purchase.

7. RECONSIDERATIONS AND APPEALS

The State administrative plan must describe all aspects of the State's reconsideration and appeal procedures. Requirements for the State plan are discussed in Chapter 3.

A. RECONSIDERATIONS

Reconsideration is the process whereby the State may re-open a case to examine new evidence or other information provided by the applicant that could change the State's decision. For example, an applicant may request that the State reconsider a grant determination that excluded a category in which the applicant states he or she has unmet needs. Reconsideration may be implemented at the State's discretion. However, by reconsidering, the State can often prevent appeals, which can be time-consuming, expensive, and may result in delayed assistance.

The applicant may request reconsideration by telephone or letter. The State's appeal authority is not required to review reconsiderations. The decision may be made by the case reviewer or Grant Coordinating Officer (GCO). If the reconsideration requires a reinspection, FEMA or the State will perform the reinspection, depending on the timing of the request.

An applicant may request assistance for items and services that were not addressed by the grant award. If for example, the applicant does not receive a grant for personal property, but can document that need, the case could be reviewed for an award for personal property items.

Notification. The State must notify applicants of reconsideration decisions by letter. The notification letter should inform the applicant that his or her right to appeal is not abrogated by the reconsideration decision.

If the reconsideration results in a change to the determination, the State must document the applicant's file and notify FEMA. The State should ensure that the Status Report (FEMA Form 76-28) and Final Statistical Report (FEMA Form 76-29) are revised to reflect changes due to reconsideration.

B. APPEALS

In accordance with Section 423 of the Stafford Act, "Appeals of Assistance Decisions," an applicant has the right to file a formal appeal of the State's grant determination. The applicant, or his or her representative, must request the appeal in writing. The State's appeal authority must not be the same person or persons who made the grant determination that prompted the appeal.

Matters for appeal. The applicant may appeal a denial, a withdrawal, or an approval for an amount other than a maximum grant. The right to appeal is usually limited to eligibility and grant determinations and procedural matters affecting eligibility and grant determinations, such as damage inspections.

Time frames. Under Section 423 of the Stafford Act, an applicant may appeal the State's grant determination within 60 days of the date he or she is notified of the determination.

Section 423 of the Stafford Act also stipulates that the Federal official designated to administer appeals must render a decision within 90 days of receipt of the appeal. While the State administers IFG Program appeals, 75 percent of the program is funded by the Federal Government; therefore, the term "Federal official" and the statute requirements apply to the State official with approval authority for IFG Program grant awards.

The State may establish a shorter time frame for resolving appeals. This time frame should be specified in the State administrative plan.

Reinspections. The appeal authority may request a reinspection. FEMA or the State may reinspect, depending on the timing of the appeal.

The applicant has the right to submit damage and repair estimates prepared by private contractors. The cost of these estimates, however, is ineligible for award reimbursement, even if the appeal decision is favorable to the applicant.

Decision of the appeal authority. The State must notify the applicant of the appeal decision by letter. In cases where the appeal is denied, the notification

letter should describe the specific reasons for the denial. The State must keep records of all appeal actions and decisions in the applicant's file.

Federal regulations stipulate that the decision of the State appeal authority is final. However, the applicant may pursue his or her claim in a court of appropriate jurisdiction.

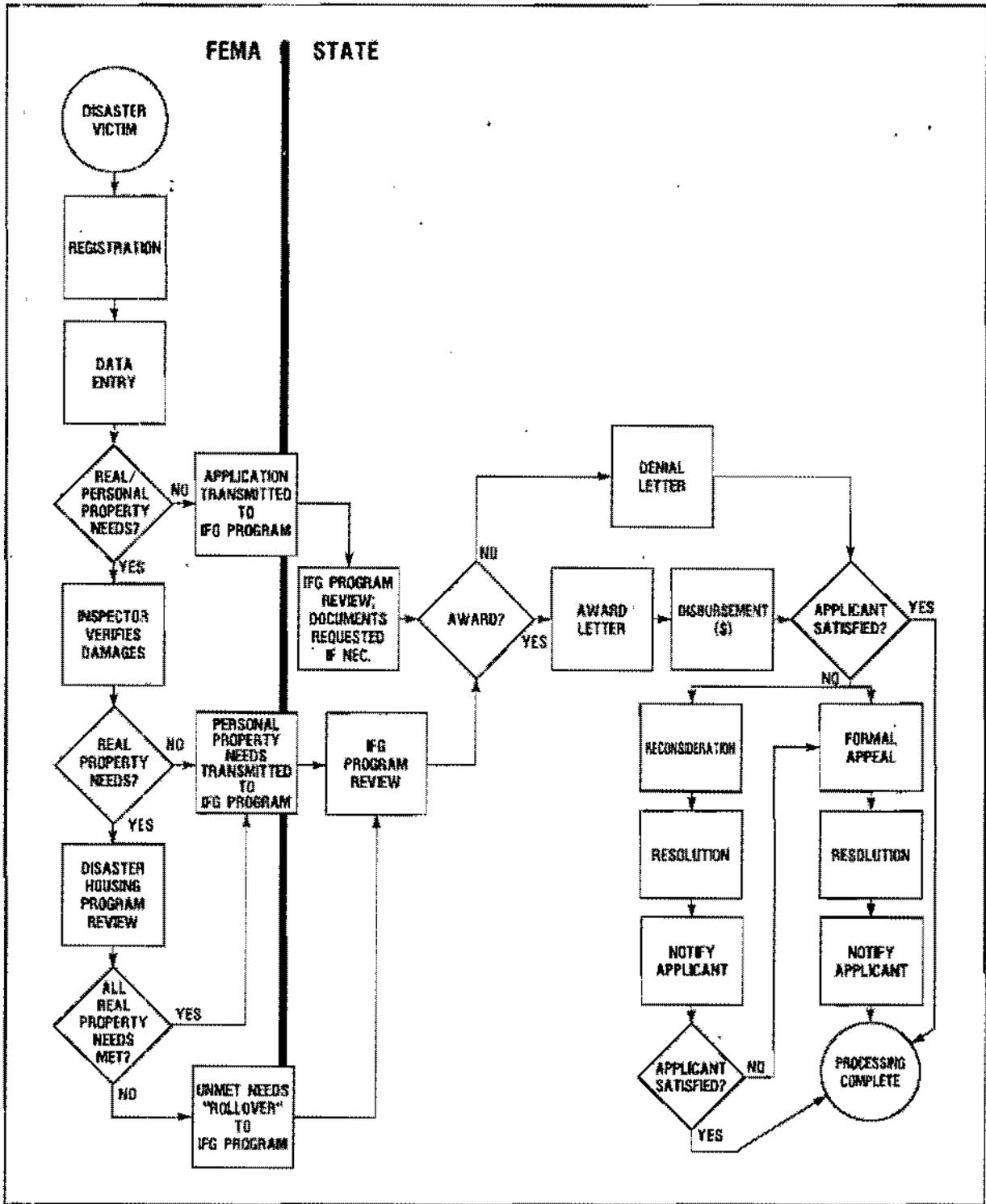


Figure 7-1: Application Processing
 (Applicant does not meet SBA income requirements
 and there are other IFG Program eligible needs)

SBA INCOME TEST TABLES FOR FY 1995

SBA MINIMUM income Levels for Disaster Home/Renter Loan Consideration

(Households with income below these levels are referred directly to IFGP by FEMA registrars.)

These tables do not apply to households with self-employment income.

Household Size	48 Contiguous States			State of Alaska		
	\$ Minimum Income Level			\$ Minimum Income Level		
	Week	Month	Year	Week	Month	Year
1	\$ 212	\$ 920	\$11,040	\$ 265	\$1,150	\$13,800
2	237	1,025	12,300	296	1,280	15,375
3	296	1,283	15,400	370	1,604	19,250
4	356	1,542	18,500	445	1,927	23,125
5	415	1,800	21,600	519	2,250	27,000
6	475	2,058	24,700	594	2,573	30,875
7	535	2,317	27,800	668	2,896	34,750
8	594	2,575	30,900	743	3,219	38,625
for each household # over 8, add	60	258	3,100	75	323	3,875

State of Hawaii			
Household Size	\$ Minimum Income Level		
	Week	Month	Year
1	\$ 244	\$1,059	\$12,705
2	272	1,179	14,150
3	341	1,476	17,713
4	409	1,773	21,275
5	478	2,070	24,838
6	546	2,367	28,400
7	615	2,664	31,963
8	683	2,960	35,525
for each household # over 8, add	69	297	3,563

Figure 7-2: SBA Income Test Table

IFG PROGRAM HEADING
IFG STATE NAME
[address, phone #]

Date: _____
Dr#: _____
Control no.: application no.

Name
Address
City, State Zip

Dear M(R/S) NAME

PLEASE READ THIS LETTER, IN ITS ENTIRETY, FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST FOR DISASTER ASSISTANCE.

We have reviewed your Disaster Assistance Application and the inspection report of damages to your home and/or personal property.

You are eligible for an Individual and Family Grant (IFG) program award in the amount of \$ _____, for the disaster-related items listed on the enclosed sheet. You should receive your grant check within _____ days.

The IFG money is to help meet your necessary expenses for serious needs caused by the disaster. It may not return you to your pre-disaster status.

If you have applied for help for disaster related medical, dental, funeral, or transportation expenses, you will receive a separate determination letter from us.

YOU MAY NOT SPEND THE AWARD MONEY FOR INELIGIBLE ITEMS SUCH AS:

- BUSINESS-TYPE LOSSES;
- COSMETIC REPAIRS OR IMPROVEMENTS TO YOUR HOME;
- LANDSCAPING;
- RECREATIONAL OR LUXURY ITEMS (SWIMMING POOLS, STEREOs, VCRs); or,
- BILLS YOU OWED BEFORE THE DISASTER.

Our program guidelines require that we review IFG awards. Please keep all original bills, receipts, estimates, and canceled checks for three (3) years, showing how you spent the money. If your records are not available, or you cannot show that you spent the IFG money correctly. You will be required to return the IFG award.

If you have received an enclosed page entitled "HAZARD MITIGATION FUNDS", please read and follow the instructions carefully.

YOU HAVE THE RIGHT TO APPEAL THIS DECISION.

If you believe that your necessary expenses and serious needs were not covered by this award, insurance payments, or other assistance you received, please write to us, at the address on this letter. Send your appeal within sixty (60) days from the date of this letter. Your appeal must be in writing, stating how you spent the IFG award, how much more money you need, and why.

Please include the following information:

1. Copies, not originals, of paid receipts or invoices for the items you bought with the IFG award;
2. Itemized estimates for the additional items or repair work you are requesting.

If you need help or have any questions, please call _____.

We hope this money helps in your recovery from the disaster.

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(OKO)

IFG PROGRAM HEADING
 IFG STATE NAME
 [address, phone #]

Date: _____
 Dr#: _____
 Control no.: application no.

Name
 Address
 City, State Zip

Dear M(R/S) NAME

PLEASE READ THIS LETTER, IN ITS ENTIRETY, FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST FOR DISASTER ASSISTANCE. We have reviewed your Disaster Assistance Application and the inspection report of damages to your home and/or personal property. You are eligible for an Individual and Family Grant (IFG) program award in the amount of \$ _____, for the disaster-related items listed on the enclosed sheet. You should receive your grant check within _____ days.

The IFG money is to help meet your necessary expenses for serious needs caused by the disaster. It may not return you to your pre-disaster status. If you have applied for help with disaster related medical, dental, funeral, or transportation expenses, you will receive a separate determination letter from us.

YOU MAY NOT SPEND THE AWARD MONEY FOR INELIGIBLE ITEMS SUCH AS:

BUSINESS-TYPE LOSSES;
 COSMETIC REPAIRS OR IMPROVEMENTS TO YOUR HOME;
 LANDSCAPING;
 RECREATIONAL OR LUXURY ITEMS (SWIMMING POOLS, STEREOS, VCRs); or,
 BILLS YOU OWED BEFORE THE DISASTER.

Since your IFG award is for items covered by the National Flood Insurance Program, and you live in a special flood hazard area, you must buy and maintain flood insurance. Acceptance of this award requires flood insurance to be maintained on the property (structure and contents) where you resided at the time of the flood for the life of the property. THIS REQUIRES YOU, AS THE HOMEOWNER, TO MAINTAIN FLOOD INSURANCE FOR AS LONG AS YOU LIVE AT THE FLOODED PROPERTY ADDRESS. In addition, it is your responsibility to notify a buyer of your residence of the requirement to maintain flood insurance on this property.

Included in your check is \$ _____ for your first year's premium. You will need to contact an insurance agent and purchase a policy in the amount of \$ _____ for your structure and \$ _____ for your contents (personal property).

Please send verification that you have purchased the required amount of flood insurance to the address on this letter within _____ days from the date of this letter. Acceptable proof of purchase may be either a statement from your insurance agent showing the amount of the flood insurance purchased for your structure and contents; or a copy of the front page of your policy. If you do not send us the proof of purchase you will have to return the IFG award. If you do not purchase and maintain flood insurance, you will be ineligible for this type of assistance in future flooding disasters.

Our program guidelines require that we review IFG awards. Please keep all original bills, receipts, estimates, and canceled checks for three (3) years, showing how you spent the money. If your records are not available, or you cannot show that you spent the IFG money correctly, you will be required to return the IFG award.

YOU HAVE THE RIGHT TO APPEAL THIS DECISION.

If you believe that your necessary expenses and serious needs were not covered by this award, insurance payments, or other assistance you may have received, please write to us, at the address on this letter. Send your appeal within sixty (60) days from the date of this Letter.

Your appeal must be in writing stating how you spent the IFG award, how much more money you need, and why. Please include the following information:

1. Copies, not originals, of paid receipts or invoices for the items you bought with the IFG award;
2. Itemized estimates for the additional items or repair work you are requesting.

If you need help or have any questions, please call _____.

We hope this money helps in your recovery from the disaster.

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(OZF)

IFG PROGRAM HEADING
IFG STATE NAME
[address, phone #]

Date: _____
Dr#: _____
Control no.: application no.

Name
Address
City, State Zip

Dear M(R/S) NAME

PLEASE READ THIS LETTER, IN ITS ENTIRETY, FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST FOR DISASTER ASSISTANCE. We have reviewed your Disaster Assistance Application and all other documentation you may have provided. You are eligible for an Individual and Family Grant (IFG) program award in the amount of \$ _____ for:

- ___ Medical/Dental Expenses ___ Funeral Expenses
- ___ Moving/Storage Expenses ___ Public Transportation
- ___ Transportation (Vehicle)
- ___ Other: _____

You should receive your grant check within _____ days. This IFG money is to help meet your specific disaster related expenses as indicated above.

The IFG money is to help meet your necessary expenses for serious needs caused by the disaster. It may not return you to your pre-disaster status. If you have applied for help with disaster related housing repairs and/or personal property expenses, you will receive a separate determination letter from us.

YOU MAY NOT SPEND THE AWARD MONEY FOR INELIGIBLE ITEMS SUCH AS:

- BUSINESS-TYPE LOSSES;
- COSMETIC REPAIRS OR IMPROVEMENTS TO YOUR HOME;
- LANDSCAPING;
- RECREATIONAL OR LUXURY ITEMS (SWIMMING POOLS, STEREOS, VCRs); or,
- BILLS YOU OWED BEFORE THE DISASTER.

Our program guidelines require that we review IFG awards. Please keep all original bills, receipts, estimates, and canceled checks for three (3) years, showing how you spent the money. If your records are not available, or you cannot show that you spent the IFG money correctly, you will be required to return the IFG award.

YOU HAVE THE RIGHT TO APPEAL THIS DECISION.

If you believe that your necessary expenses and serious needs were not covered by this award, insurance payments, or other assistance you may have received, please write to us, at the address on this letter. Send your appeal within sixty (60) days from the date of this letter.

**Figure 7-5: Award Letter
for Categories Other Than Real or Personal Property**

Your appeal must be in writing stating how you spent the IFG award, how much more money you need, and why. Please include the following information:

1. Copies, not originals, of paid receipts or invoices for the items you bought with the IFG award;
2. Itemized estimates for the additional items or repair work you are requesting.

If you need help or have any questions, please call _____.

We hope this money helps in your recovery from the disaster.

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(CTGA)

Figure 7-5: Award Letter
for Categories Other Than Real or Personal Property

IFG PROGRAM HEADING
IFG STATE NAME
[address, phone #]

Date: _____
Dr#: _____
Control no.: application no.

Name
Address
City, State Zip

Dear M(R/S) NAME

PLEASE READ THIS LETTER, IN ITS ENTIRETY, FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST FOR DISASTER ASSISTANCE. After further review of your Disaster Assistance Application, and all other documentation you may have provided, we have determined you are eligible for additional funds from the Individual and Family Grant (IFG) program in the amount of \$ _____ for:

- ____ Medical/Dental Expenses ____ Funeral Expenses
- ____ Moving/Storage Expenses ____ Public Transportation
- ____ Transportation (Vehicle)
- ____ Other: _____

You should receive your grant check within _____ days. This IFG money is to help meet your specific disaster related expenses as indicated above.

The IFG money is to help meet your necessary expenses for serious needs caused by the disaster. It may not return you to your pre-disaster status. If you have applied for help with disaster related housing repairs and/or personal property expenses, you will receive a separate determination letter from us.

YOU MAY NOT SPEND THE AWARD MONEY FOR INELIGIBLE ITEMS SUCH AS:

- BUSINESS-TYPE LOSSES;
- COSMETIC REPAIRS OR IMPROVEMENTS TO YOUR HOME;
- LANDSCAPING;
- RECREATIONAL OR LUXURY ITEMS (SWIMMING POOLS, STEREOS, VCRs); or,
- BILLS YOU OWED BEFORE THE DISASTER.

Our program guidelines require that we review IFG awards. Please keep all original bills, receipts, estimates, and canceled checks for three (3) years, showing how you spent the money. If your records are not available, or you cannot show that you spent the IFG money correctly, you will be required to return the IFG award.

YOU HAVE THE RIGHT TO APPEAL THIS DECISION.

If you believe that your necessary expenses and serious needs were not covered by this award, insurance payments, or other assistance you may have received, please write to us, at the address on this letter. Send your appeal within sixty (60) days from the date of this letter.

Your appeal must be in writing, stating how you spent the IFG award, how much more money you need, and why. Please include the following information:

October 1995

1. Copies, not originals, of paid receipts or invoices for the items you bought with the IFG award;
2. Itemized estimates for the additional items or repair work you are requesting.

If you need help or have any questions, please call _____.

We hope this money helps in your recovery from the disaster.

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(CTGS)

IFG PROGRAM HEADING
 IFG STATE NAME
 [address, phone #]

Date: _____
 Dr#: _____
 Control no.: application no.

Name
 Address
 City, State Zip

Dear: M(R/S) NAME

PLEASE READ THIS LETTER, IN ITS ENTIRETY, FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST FOR DISASTER ASSISTANCE. We have reviewed your Disaster Assistance Application and the inspection report of damages to your home and/or personal property.

We have determined that you are not eligible for an Individual and Family Grant (IFG) program award for:

Housing Repairs Personal Property
 Transportation (Vehicle)

We are unable to award you an Individual and Family Grant award because:

- A. The inspection did not show any significant damage to your property.
- B. The damages to your home and/or personal property were not caused by the disaster.
- C. Your losses should be covered by your insurance. If your insurance settlement does not cover your expenses for disaster-related serious needs, please send a copy of your insurance settlement to the above address for reconsideration.
- D. You received disaster assistance for the damages to your home and/or personal property from:
1. American Red Cross
 2. FEMA Disaster Housing Program
 3. Small Business Administration
 4. Other
- E. Your home is in your community's special flood hazard area and because your community is not participating in the National Flood Insurance Program, Federal Law prohibits IFG from providing you a grant for flood insurable losses to home and/or personal property.
- F. You have not provided proof of ownership.
- G. Your vehicle did not have a current license/registration at the time of the disaster.
- H. The damages to your vehicle were not caused by this disaster.
- I. It is a State Law that you carry liability insurance. Since you did not have this insurance at the time of the disaster, the State cannot provide an award for your vehicle damage/loss.

Figure 7-7: Ineligible Letter:
 Real/Personal Property, Transportation

J. ___ Our inspection indicates you have a usable vehicle.

K. ___ Other:

- 1. ___ This is not the home you live in most of the year, but a secondary residence.
- 2. ___ You have applied previously on Control # ___; this is a duplicate application.
- 3. ___ An award for the losses you have claimed has been provided to another member of your household.
- 4. ___ You have not furnished the required information which we previously requested.
- 5. ___ Other _____

L. ___ During a previous disaster, you received Federal Funds for disaster assistance. You were required to maintain a flood insurance policy to cover your flood insurable losses. Our records indicate that you have not maintained your flood insurance policy. Therefore, the IFG program is prohibited by law from providing to you disaster assistance for flood insurable losses.

PLEASE NOTE: If you have requested assistance for disaster-related medical, dental, funeral, moving and storage expenses, public transportation or other assistance not mentioned in this letter, you will receive a separate determination letter for these items.

YOU HAVE THE RIGHT TO APPEAL THIS DECISION.

Send your appeal, to the address on this letter, within sixty (60) days from the date of this letter. Your appeal must be in writing and your letter should include the following information and documentation:

- 1. Why the items, repair work, or services you describe are serious needs and necessary expenses;
- 2. Include copies, not originals, of itemized estimates for the items, repair work, or services you are requesting.

If you need help or have any questions, please call _____.

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(IRPT)

Figure 7-7: Ineligible Letter:
Real/Personal Property, Transportation

IFG PROGRAM HEADING
IFG STATE NAME
[address, phone #]

Date: _____
Dr#: _____
Control no.: application no.

Name
Address
City, State Zip

Dear M(R/S) NAME

PLEASE READ THIS LETTER IN ITS ENTIRETY FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST FOR RECONSIDERATION OF DISASTER ASSISTANCE. We have reviewed the new documentation which you provided and have determined that you are not eligible for the assistance requested under the Individual and Family Grant program. This Reconsideration was for:

- Housing Repairs Personal Property
- Transportation-Vehicle Transportation-Public
- Medical/Dental Expenses Funeral Expenses
- Moving/Storage Expenses Mitigation
- Other: _____

We are unable to change our original determination because:

YOU HAVE THE RIGHT TO APPEAL THIS RECONSIDERATION DECISION.

If your reconsideration request was not provided in writing you must send a formal written appeal to the address on this letter, within sixty (60) days from the date of this letter. Your letter should include the following information and documentation:

1. Why the items repair work or services you describe are serious needs and necessary expenses;
2. Include copies, not originals, of itemized estimates for the items, repair work, or services you are requesting.

If your information was originally provided in writing, a formal appeal of your case will be heard by the State's appeal authority and you will not need to provide additional information.

If you need help or have any questions, please call _____.

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(RECO)

IFG PROGRAM HEADING
IFG STATE NAME
[address, phone #]

Date: _____
Dr#: _____
Control no.: application no.

Name
Address
City, State Zip

Dear M(R/S) NAME

PLEASE READ THIS LETTER, IN ITS ENTIRETY, FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST TO APPEAL THE INDIVIDUAL AND FAMILY GRANT PROGRAM'S DECISION FOR DISASTER ASSISTANCE. After further review of your Disaster Assistance Application and all other documentation you have provided, I have determined you are eligible for additional funds from the Individual and Family Grant (IFG) program for:

Housing Repairs Personal Property

Other:

You should receive a check in the amount of \$ _____ within _____ days for the items listed on the enclosed sheet. Remember, the IFG money is to help meet your necessary expenses for serious needs caused by the disaster. It may not return you to your pre-disaster status.

YOU MAY NOT SPEND THE AWARD MONEY FOR INELIGIBLE ITEMS SUCH AS:

- BUSINESS-TYPE LOSSES;
- COSMETIC REPAIRS OR IMPROVEMENTS TO YOUR HOME;
- LANDSCAPING;
- RECREATIONAL OR LUXURY ITEMS (SWIMMING POOLS, STEREOS, VCRs); or,
- BILLS YOU OWED BEFORE THE DISASTER.

Program guidelines require that the State review IFG awards. Please keep all original bills, receipts, estimates, and canceled checks for three (3) years showing how you spent the money. If your records are not available, or you cannot show that you spent the IFG money correctly, you will be required to return the IFG award.

THIS IS THE FINAL DECISION ON YOUR ADDITIONAL ASSISTANCE REQUEST FOR THE ABOVE MENTIONED CATEGORIES.

If you have any questions, please call _____. I hope this money helps in your recovery from the disaster.

Sincerely,

NAME
APPEAL OFFICER

(APPS)

IFG PROGRAM HEADING
IFG STATE NAME
[address, phone #]

Date: _____
Dr#: _____
Control no.: application no.

American Red Cross
[address]

NAME
ADDRESS
CITY, STATE ZIP

Dear M(R/S) NAME

The applicant listed above has received the maximum Individual & Family Grant (IFG) program award in the amount of \$____; and, is being referred to your agency for consideration of additional assistance.

A copy of this referral letter is being sent to the above applicant. If you have any questions, please call _____

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(ARC)

Figure 7-10: Referral to the American Red Cross
(Maximum Grant Awarded)

IFG PROGRAM HEADING
IFG STATE NAME
[address, phone #]

Date: _____
Dr#: _____
Control no.: application no.

Name
Address
City, State Zip

Dear M(R/S) NAME

PLEASE READ THIS LETTER, IN ITS ENTIRETY, FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST FOR DISASTER ASSISTANCE. We have reviewed your Disaster Assistance Application, and in order to determine eligibility the following information is necessary:

- _____ Statement from your Doctor verifying your medical/dental expenses were disaster related.
- _____ Estimates from a mechanic verifying damages to your vehicle were disaster related and the repair costs.
- _____ Statement from your insurance agent or a copy of the front page of your policy showing you purchased flood insurance, \$ _____ for your structure and \$ _____ for your contents.
- _____ Statement from your insurance agent or a copy of the front page of your policy showing you purchased flood insurance, \$ _____ for your contents.
- _____ Other: _____

Please send this information to the above address within _____ days from the date of this letter. Your Disaster Assistance Application may be denied if we do not receive the information within this time frame. If you have already received an Individual and Family Grant (IFG) program award you may be required to return the money.

If you need help or have any questions, please call _____.

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(RFI)

IFG PROGRAM HEADING
IFG STATE NAME
{address, phone #}

Date: _____
Dr#: _____
Control no.: application no.

Name
Address
City, State Zip

Dear M(R/S) NAME

PLEASE READ THIS LETTER, IN ITS ENTIRETY, FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST FOR DISASTER ASSISTANCE. We have received your request to withdraw your Disaster Assistance Application for the following:

- Housing Repairs Personal Property
- Medical/Dental Expenses Funeral Expenses
- Transportation (Vehicle) Public Transportation
- Moving/Storage Expenses
- Other: _____

Your Disaster Assistance Application, as noted above, has been WITHDRAWN. If you need help or have any questions, please call _____.

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(WVOA)

Figure 7-12: Confirmation of
Voluntary Withdrawal By Applicant

IFG PROGRAM HEADING
IFG STATE NAME
[address, phone #]

Date: _____
Dr#: _____
Control no.: application no.

Name
Address
City, State Zip

Dear M(R/S) NAME

PLEASE READ THIS LETTER, IN ITS ENTIRETY, FOR IMPORTANT INFORMATION ABOUT YOUR REQUEST FOR DISASTER ASSISTANCE. We have reviewed your Disaster Assistance Application and the inspection report of the damages to your home and/or personal property. You may be eligible for an Individual and Family Grant (IFG) program award. Since a portion of this award is based on damage to your mobile home, that part of the award cannot be sent to you until we receive some additional information. Our regulations require that prior to making this award, we must know whether you plan to purchase a mobile home and, if so, where you intend to place it.

If you plan to relocate out of the flood hazard area, an award may be sent to you immediately. However, if you plan to purchase a mobile home and place it in a flood hazard area, our office must first conduct a review of the proposed location.

Please complete the bottom of this letter and return it to the above address within _____ days so a decision can be made concerning your Disaster Assistance Application. If you need help or have any questions, please call _____.

If approved for an IFG award, do you intend to purchase a mobile home to replace the one you lost in the recent flooding?

YES [] NO []

If you answered YES, at what address do you intend to locate the mobile home?

STREET _____
(Include Lot #, if appropriate)
CITY _____ STATE _____ ZIP _____
SIGNATURE _____ DATE _____

Sincerely,

IFG COORDINATOR
IFG COORDINATOR TITLE

(MHQ)

HAZARD MITIGATION FUNDS

The following list of home repair items and funds are intended to repair certain items in your disaster-damaged home so that future damage might be avoided or reduced. These repairs are common-sense ways of repairing your home damage that may prevent repeated flood damage. You are required to use these funds to make the repairs indicated below. If you decide not to make these repairs, you must return the funds immediately to the address listed at the top of the cover letter. The State IFG Program will conduct a random sample of the use of these funds; please keep receipts or other records to show how you spent the money.

- | | | | |
|-------|-------------------------------------|-------|----------------------|
| _____ | Install interior flood wall | _____ | Cripple wall bracing |
| _____ | Elevate main panel | _____ | Relocate washer |
| _____ | Relocate main panel | _____ | Elevate washer |
| _____ | Elevate heating plant | _____ | Relocate dryer |
| _____ | Suspend heating plant | _____ | Elevate dryer |
| _____ | Relocate heating plant | _____ | Strap water heater |
| _____ | Anchor fuel storage tank | _____ | Strap chimney |
| _____ | Elevate water heater | | |
| _____ | Relocate water heater | | |
| _____ | Install floor drain plug | | |
| _____ | Install interior backwater
valve | | |
| _____ | Install exterior backwater
valve | | |
| _____ | Anchor mobile home | | |
| _____ | Foundation bolts | | |

(MIT)