

Frequently Asked Questions about Disaster Assistance

Things you ought to know, but probably do not want to know!

My house is damaged from a natural disaster: I need help. Who do I call?

If you have immediate needs for food, clothing, and/or housing call the American Red Cross. Second, contact your insurance agent to determine what damages they will cover. Third, if you do not have the funds to complete repairs, contact your local banker to arrange for a loan.

I do not have insurance and I cannot afford a loan, can the state help?

Sorry, the state will not be able to pay for your losses. Washington State's Constitution says: "The credit of the state shall not, in any manner be given or loaned to, or in aid of, any individual, association, company, or corporation." Essentially this means that state taxpayer dollars cannot be spent to help an individual with disaster related losses.

If the state cannot help, how do I go about getting help from FEMA?

You cannot get assistance from FEMA: at least not until the Governor requests federal help and the President declares a major disaster in the state and county where you live.

When you say disaster, just exactly what do you mean?

The term disaster means different things to different people. If your house has damage and you do not have insurance to cover it, you would say you have a disaster. However, federal law defines disaster much more broadly. To get federal assistance the damage must be very serious and widespread affecting a number of people. A foot of water in your home is serious to you, but it does not meet the criteria for a federal disaster. A disaster as defined by the federal government occurs when hundreds of homes are destroyed or have sustained major damage.

Okay, what does it take to get the President to declare a disaster so I can get FEMA assistance?

The Governor is the only person who can ask the President to make a major disaster declaration. But first, the Governor's request must include damage reports from counties affected by the disaster that clearly shows there have been "significant damages." Generally speaking, the number of homes that have been destroyed or with major damage must be in the hundreds for the disaster to be considered "significant."

Your part in this process is to report your damages (even if they are insured) to your local jurisdiction's emergency manager so they can be combined with other reports and forwarded to the state for analysis. Until you and your neighbors report your damages, nothing is going to happen.

I reported my damages to the city/county as I was supposed to do, why are we not getting FEMA assistance?

There are three possible reasons. First, the county you live in may not have met the criteria to qualify for federal assistance and thus the Governor did not submit a request to the President. Second, it could be that the total amount of damage in the county/state did not measure up to what the federal government defines

as a disaster and the President denied the state request. Third, the federal government could still be considering its decision. When a disaster request is denied or declared, it generally appears in news.

Are there other options for assistance if we don't meet the requirements for FEMA help or the President denies the Governor's request?

Yes there is. The U.S. Small Business Administration (SBA) can declare a disaster, at the request of the Governor. If that happens, SBA can provide disaster loans to homeowners, renters, and small businesses much the way they would do if the President declared a major disaster. However, to qualify for this program the Governor must be able to clearly show that 25 homes and or businesses, in any county or political subdivision, have uninsured losses exceeding 40 percent of the estimated fair replacement value or pre-disaster fair market value, whichever is lower. The state often does not meet this threshold because most property owners have insurance coverage.

Again, until you and your neighbors call your local jurisdiction emergency manager and report your damages so they can compile and report it to the state for analysis, nothing is going to happen. The SBA loan program is described later.

If the President approves the request for a major disaster declaration, how much will FEMA give me to repair my home?

When the President declares a major disaster that includes your county, you may be eligible for limited assistance from FEMA for home repairs or replacement. The maximum disaster assistance award provided by FEMA is limited by the Stafford Act to \$25,000 (consumer price index adjusted annually). The adjusted amount for federal fiscal year 2009 is \$30,300. The average award for Individuals/households is approximately \$5,000.

Note: If your mortgaged and uninsured home is destroyed, the mortgage company will still demand payments and are legally entitled to do so! If nothing else, this should convince you of the value of having the appropriate insurance coverage.

Wow, that isn't very much. If I have major damage to my home FEMA assistance is not going to help much. What else is available?

If FEMA assistance will not get the job done for you, you may be eligible to apply for a low interest loan offered by the U.S. Small Business Administration (SBA) to home owners, renters, and small businesses. The law limits home loans to \$200,000 for the structure and \$40,000 for contents. You must qualify for this loan in much the same way as you do for any commercial loan. Most of the federal assistance to recover from disasters comes in the form of SBA loans.

But, I don't want a loan – I can't afford a loan, so then what?

If you don't want a loan, that is certainly your decision/choice. The SBA will help you decide whether or not you can afford a loan. Federal disaster rules mandate (unless you do meet the income test) that you apply for a disaster loan before being considered for help other than housing assistance.

If you do not apply for an SBA loan when instructed to do so, or reject a loan if one is offered, you could seriously limit the federal assistance that otherwise might be available to you. If your loan application is

approved and you accept it, you will more than likely have the funds you need to return your home to its pre-disaster condition.

What if I don't qualify for a loan?

If you do not qualify for a loan and have eligible disaster related serious needs or expenses, the SBA will refer your case to "Other Needs Assistance" (ONA) automatically. Through ONA, a disaster victim may receive additional federal assistance for eligible personal property and vehicle losses as well as help with medical, dental, and funeral expenses and certain other miscellaneous items.

What do you mean by "eligible" disaster related serious needs or expenses? Everything I lost is important to me.

Congress never intended for federal disaster assistance to cover all your losses. The intent of federal disaster assistance is to help with your essential needs. It provides help in answering the question – **what do you really need** to be safe, secure, and sanitary? These needs are based on the experiences of thousands of disaster victims. After the President declares a disaster, FEMA inspectors will come to your home and inspect both your real and personal property and record your losses in a database. Your eligibility for assistance awards are based on that inspection. Jewelry, antiques, stereos, and other non-essential items are not eligible for assistance. Likewise, recreational property, second homes, and out-buildings are also not essential.

I see on the news where people in other disasters are getting millions of dollars to recover from their disaster losses. How much can I get really? I was under the impression that FEMA paid for all losses.

Good question. The information you hear on the news is often misleading. The total amount of assistance (excluding loans from the SBA) that an individual can get from FEMA to help recover from a disaster is limited as stated above. The maximum award is adjusted each year based on the Consumer Price Index for all Consumer Goods. Any funds you get from FEMA for housing or Other Needs Assistance count against the maximum award. However, very few disaster victims get the full amount. Before you can get help from Other Needs Assistance for personal property, transportation, and certain other miscellaneous items, you must first apply for an SBA loan and be determined ineligible. Most people qualify for loans and therefore do not get help through ONA. This is why very few disaster victims receive the maximum assistance award.

My house was destroyed, I did not have insurance and the SBA denied me a loan. I have received the maximum FEMA assistance award, but I still need thousands of dollars to rebuild. Is there somewhere else to get help?

Maybe. Voluntary and faith-based organizations across the state will attempt to assist households with disaster related serious needs and expenses after all federal assistance has been rendered. However, these organizations operate on limited donated funds and probably will not be able to help you fully recover. If you find yourself in this situation, it is best to hang on to all your FEMA funds and make them available to the organization that agrees to help you. Voluntary and faith-based organizations can come up with volunteers to do the work easier than they can come up with the funds to buy materials. Working together with your FEMA funds and volunteer labor, you are more likely to realize the greatest level of assistance.

Volunteer and faith-based programs provide assistance to disaster victims regardless of whether the state gets federal assistance or not. In short – they are generally always available to help meet essential needs.

It does not look like relying on federal disaster assistance is a good idea, what should I do instead?

Excellent question: now you are thinking! Relying on others to bail you out of a bad situation is not a good plan; in fact it is not a plan at all. Your best chance for a full recovery after a disaster hinges on these three things:

1. Plan and prepare for disasters. Your local emergency management office can help and there is an abundance of information on the Internet.
2. Buy insurance to protect you from the extreme financial losses disasters represent. Insurance is one sure way to make your financial recovery possible. You may think insurance is too expensive, but consider the alternative of not having it.

TIP: Homeowner policies do not cover flood, earthquake, landslide, tsunami, and hurricanes. You will need special riders or policies for those hazards. Also keep in mind that your flood insurance policy will not work for you until 30 days after it is issued.

3. Take charge, take responsibility, and do what you know you need to do to protect yourself and your family. Don't give up control of your life to others by leaving yourself vulnerable.

For more information you may call John Vollmer, Human Service Manager, at 253.512.7076 or send an e-mail to j.vollmer@emd.wa.gov.

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