

Updates to FEMA’s Individuals and Households Program Made by the “Individual Assistance Program Equity” Rulemaking

Updated March 19, 2024

On [January 22, 2024](#), the Federal Emergency Management Agency (FEMA) published an interim final rule (IFR) amending its regulations governing the Individual Assistance (IA) program—specifically the Individuals and Households Program (IHP). The rule goes into effect on [March 22, 2024](#), for [emergencies and major disasters declared on or after that date](#).

According to FEMA, the amended regulations seek to “[increase equity](#) by simplifying processes, removing barriers to entry, and increasing eligibility for certain types of assistance under the program.”

Background

Individuals and Households Program

When a disaster occurs, FEMA may provide assistance to eligible disaster survivors through the IA program pursuant to a presidential declaration of emergency or major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act; P.L. 93-288, as amended; [42 U.S.C. §§5121 et seq.](#)). One form of IA is the IHP, through which FEMA may provide financial and/or direct assistance for housing, as well as financial assistance for other needs (referred to as other needs assistance or ONA). The IHP is authorized under Stafford Act Section 408 ([42 U.S.C. §5174](#)), and FEMA’s IHP regulations are codified at [44 C.F.R. Part 206, Subpart D](#).

Interim Final Rule

FEMA is amending its regulations through an IFR. Although the Administrative Procedure Act (APA) governs the [process federal agencies follow to develop and issue regulations](#)—a process that typically involves a notice and comment period before the final rule goes into effect—FEMA’s IFR explains that “[this rule is exempt from the APA’s notice and comment requirement](#)” because it falls within the APA’s

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exemption for rules related to grants. Still, [FEMA is seeking public comment](#) on this rule until [July 22, 2024](#), and FEMA *may* make further changes to its IHP regulations (FEMA's general policy is to provide [60 days](#) for public comment, including on [matters related to grants](#). FEMA is providing six months in this case).

IHP Changes

The amended IA regulations seek to address long-standing concerns expressed by some Members of Congress, stakeholders including disaster survivors, and federal agencies (comments to this effect and FEMA's responses are detailed throughout the IFR). For example, some [Members of Congress](#), [stakeholders](#), and the [Government Accountability Office](#) found the process to receive Small Business Administration (SBA)-Dependent ONA unnecessarily confusing and onerous; the IFR has simplified this process.

The amended regulations change the IHP application process and the process by which individuals are considered for assistance. Selected examples include:

- **Simplifying ONA** by [removing the previous requirement](#) that IHP applicants who meet the SBA's minimum income requirements [first apply for an SBA disaster loan](#), and either be denied or receive a partial loan, before they could be considered for FEMA's [SBA-Dependent ONA](#), which included assistance for personal property, transportation, and Group Flood Insurance Policies (GFIPs). The new process allows IHP applicants to receive the IHP assistance they apply and are eligible for, including all forms of ONA, without first having to apply for an SBA disaster loan. ([IHP applicants may still choose to apply for an SBA disaster loan](#) if they require additional funding to address their unmet real or personal property needs.)
- **Removing Supporting Documentation Requirements for Late Applications** so applications submitted after the initial 60-day registration period are no longer required to include [suitable documentation to support and justify the late submission](#); instead, applicants must simply [explain](#) the reason for the delay. [FEMA will also accept additional reasons](#) justifying a late submission.
- **Simplifying the Appeals Process** so applicants are [no longer required to submit a written and signed appeal letter](#) with their supporting documentation in order for their appeal to be processed.
- **Reduce Documentation Requirements for Continued Temporary Housing Assistance Applicants** to eliminate the requirement that they provide their pre-disaster rent or [income](#), and allow more [reasonable timeframes for establishing their permanent housing plan](#).

The amended regulations establish new forms of ONA and expand eligibility for some forms of assistance. Selected examples include:

- **Establishing Serious Needs Assistance** as a [form of ONA](#) to quickly provide [\\$750](#) to [eligible applicants](#) in a designated disaster area who report they are displaced from their pre-disaster primary residence, sheltering in their pre-disaster residence but need to shelter elsewhere, or have a serious need, so they can address their immediate post-disaster needs for [items](#) such as “water, food, first aid, infant formula, diapers, personal hygiene items, and fuel for or the cost of transportation.”
- **Establishing Displacement Assistance** as a [form of ONA](#) to provide up-front financial assistance to eligible applicants when their pre-disaster primary residence is

uninhabitable or inaccessible, so they can immediately [obtain short-term accommodations](#) while they work to secure temporary housing (e.g., FEMA Rental Assistance).

- **Helping Underinsured Disaster Survivors** receive assistance to address their [uninsured or underinsured disaster-caused necessary expenses and serious needs](#) (up to the maximum amount of financial assistance) even when their [net insurance proceeds](#) are equal to or greater than the maximum amount of financial assistance.
- **Allowing Self-Employed Individuals to Receive Personal Property Assistance** for disaster-damaged essential tools and equipment, and required items for the trade/profession.
- **Allowing Home Repairs for a Mix of Disaster-Caused and Pre-Existing Damage**, enabling disaster survivors to repair their homes to a “safe and sanitary living or functioning condition,” [consistent](#) with the [statute](#), by [removing the regulatory limitations associated with pre-existing damage](#).
- **Expanding Home Repair Assistance for Accessibility-Related Items** to allow individuals with pre-existing or disaster-caused disabilities to [install or construct new real-property components that are necessary to meet their accessibility-related needs](#)—even if such items were not present in the home prior to the disaster.

The IFR includes the [complete list of changes](#).

FEMA stated that it anticipates the rule’s effects will include expediting the provision of disaster assistance, making more people eligible for assistance, and aligning its regulations with its statutory authorities.

Resources

- DHS/FEMA, “[Individual Assistance Program Equity](#),” 89 *Federal Register* 3990-4125, January 22, 2024.
- The [Regulations.gov Rulemaking Docket for the IFR](#) includes [supporting materials](#), the [Unified Agenda](#), and [submitted comments](#).
- FEMA’s [one-pager](#) provides the highlights related to the IFR updates.
- FEMA’s [press release](#) describes the IFR changes in more detail.

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