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FEMA's IA Program Changes to Support Disaster Survivors

The Federal Emergency Management Agency (FEMA) may provide assistance to disaster survivors through the Individual Assistance (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.). Some stakeholders, including Members of Congress, federal officials, emergency managers, scholars, and survivors have expressed concern that federal disaster assistance does not adequately reach underserved populations. FEMA has recently made changes to its provision of IA, aimed at improving the experience of disaster survivors, including by streamlining its disaster assistance programs and removing barriers to accessing assistance. FEMA has done this through publishing an interim final rule (IFR) amending its regulations governing the Individuals and Households Program (IHP)—a form of IA, and updating its guidance and policies to reflect statutory changes and the Biden Administration's and FEMA's equity-related priorities.

FEMA IA Program Equity Rulemaking

On January 22, 2024, FEMA “announced the most comprehensive updates to [its IA] Program in the past 20 years” when it published an IFR amending its IHP regulations. The rule went into effect for emergencies and major disasters declared on or after March 22, 2024. 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.” The agency anticipates the IFR will expedite the provision of assistance, make more people eligible, and align its regulations with its statutory authorities.

The IFR changed the application process and process by which individuals are considered for assistance, such as by:

- Removing the requirement for IHP applicants who meet the Small Business Administration's (SBA's) minimum income requirements to first apply for an SBA disaster loan, and either be denied or receive a partial loan, before being considered for FEMA's SBA-Dependent Other Needs Assistance (ONA). Now, IHP applicants may receive the IHP assistance that they apply and are eligible for—including all forms of ONA—without first having to apply for an SBA disaster loan.
- Removing the requirement for IHP applicants to provide supporting documentation to justify a late application (submitted after the initial 60-day registration period). Now, IHP applicants must provide an acceptable explanation for the delay (e.g., explaining the situation via phone). FEMA also accepts more reasons for late applications.

- Simplifying the appeals process so applicants are no longer required to submit a written and signed appeal letter with their supporting documentation, and may instead submit either a written and signed explanation *or* verifiable documentation supporting the appeal request.
- Simplifying the documentation requirements for IHP applicants to receive Continued Temporary Housing Assistance and allowing more reasonable timeframes for disaster survivors to establish a permanent housing plan.

The IFR expanded eligibility for existing forms of assistance and created new forms of assistance, such as by:

- Establishing two new forms of ONA: 1) Serious Needs Assistance, which allows FEMA to provide \$750 to eligible applicants to address their immediate needs for “water, food, first aid, infant formula, diapers, personal hygiene items, and fuel for or the cost of transportation”; and 2) Displacement Assistance, which allows FEMA to provide up to two weeks of financial assistance to eligible applicants to immediately obtain short-term accommodations when their pre-disaster primary residence is uninhabitable or inaccessible.
- Helping underinsured disaster survivors receive IHP assistance by changing the way insurance proceeds affect their eligibility for assistance, such that now, even when their net insurance proceeds are equal to or exceed the IHP financial assistance cap, they may still qualify for IHP assistance.
- Allowing self-employed individuals to receive Personal Property Assistance for disaster-damaged essential tools and equipment, and required items for their trade/profession.
- Removing the regulatory limitations associated with pre-existing damage to allow Home Repair Assistance to be provided for a mix of disaster-caused and 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.

On March 22, 2024, FEMA released a memorandum amending its *Individual Assistance Program and Policy Guide (IAPPG)* to reflect such changes. See the CRS

Insight IN12333, *Updates to FEMA's Individuals and Households Program Made by the "Individual Assistance Program Equity" Rulemaking* for more information.

FEMA Updates to Guidance and Policies

FEMA has made other changes to its programs to advance equity in its provision of relief to individuals, including through its own existing authorities, and as required by law.

Actions to Reduce Administrative Burdens and Increase Flexibilities

On September 2, 2021, in accordance with the Biden Administration's and FEMA's equity initiatives, FEMA released a memorandum amending the *IAPPG*, effective for disasters declared on or after August 23, 2021. The memorandum made changes to FEMA's accepted forms of proof of occupancy and ownership, including by:

- Expanding the types of documents that may be submitted to verify occupancy and ownership;
- Amending FEMA's documentation exceptions to accept a self-declarative statement from IHP applicants whose pre-disaster primary residence was a mobile home or travel trailer, or who live in insular areas, islands, and tribal lands; and
- Allowing a self-declarative statement to establish heirship proof of ownership.

In addition, FEMA has modified its means of verifying occupancy and ownership, including by allowing inspectors to do so, and by using historical information by an IHP applicant at the same damaged dwelling address.

The memorandum also amended the IHP to include:

- Financial assistance to repair real property components impacted by disaster-caused mold;
- A new form of ONA: Clean and Sanitize Assistance, which allows FEMA to provide \$300 to IHP applicants who don't qualify for Housing Assistance in order to prevent additional losses and address health and safety concerns; and
- Financial assistance for IHP applicants with a disaster-caused disability who require accessibility-related items to make their disaster-damaged home safe and functional, and to meet their households' access and functional needs.

FEMA also streamlined its assistance application on DisasterAssistance.gov to reduce the time it takes to register.

Other Actions to Expand IHP Applicant Eligibility

On March 9, 2024, the Compact of Free Association Amendments Act of 2024 (Div. G, Title II of P.L. 118-42) was enacted, amending Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA; P.L. 104-193), such that now, individuals who lawfully reside in the United States in accordance with the Compacts of Free Association—citizens of Micronesia, the Marshall Islands, and Palau—meet the “qualified alien”

general IHP eligibility requirement. FEMA implemented such statutory amendments to the IHP and amended the *IAPPG* through a memorandum issued on April 26, 2024.

Congressional Considerations

In 2021, FEMA defined “equity” in its approach to providing assistance and added “equity” as one of its strategic goals, and the 2024 IFR's changes to the IA program reflect that priority. FEMA may continue updating its IA programs, including based on comments received on its implementation of the IFR or to make further program changes. For example, the IFR primarily amended FEMA's provision of IHP financial assistance for housing and ONA, but not its Direct Housing Assistance programs. It is unclear whether further programmatic changes are planned.

In addition, through an April 2021 Request for Information, FEMA solicited and received feedback from stakeholders, including state and local offices of emergency management, disaster survivors, nonpartisan think-tanks, academics, and nonprofit organizations, regarding promoting equity in federal disaster relief. Among the many IA-related proposals were recommendations subsequently addressed through the IFR (e.g., clarifying the relationship between the IHP and SBA disaster loans; allowing IHP assistance for pre-existing damage; and easing the IHP appeals process), and other issues FEMA addressed through its policy changes (e.g., expanding ways to prove occupancy and ownership). Still, many other recommendations remain open—for example, some stakeholders suggested:

- Creating a unified application for federal disaster assistance provided by FEMA, SBA, and the U.S. Department of Housing and Urban Development. GAO reported that, as of February 2024, these and other interagency partners were exploring the viability of a single application for disaster assistance. Congress could consider passing legislation establishing a universal application, and could also consider requiring FEMA, with other relevant federal agencies, to report to Congress on options for and progress made on simplifying the disaster assistance application process.
- Addressing limitations associated with the provision of Home Repair Assistance for eligible hazard mitigation measures. While FEMA may make some changes to the program (e.g., further expanding the types of eligible hazard mitigation measures, as it previously did in 2021 and 2022), other changes may require congressional authority (e.g., Congress could consider amending the Stafford Act to increase or remove the financial assistance cap for eligible mitigation measures).

CRS Report R46014, *FEMA Individual Assistance Programs: An Overview* describes FEMA's IA programs; and CRS Report R47297, *Disaster Survivor FAQ: FEMA Individuals and Households Program* provides more information on applying for IHP assistance.

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