



Federal Insurance and Mitigation Administration

FEMA Disaster Assistance When a Community is Not Participating in the NFIP

A community's participation in the National Flood Insurance Program (NFIP) is voluntary. However, when a community has been identified by the Federal Emergency Management Agency (FEMA) as an area with special flood hazards, and the community is not participating in the NFIP, the community may be sanctioned and financial assistance for acquisition or construction purposes, including, in some cases, Federal disaster assistance, may not be available in those areas.

This fact sheet provides information to individuals and communities on the receipt of FEMA disaster assistance when a community is not participating in the NFIP.

Community Participation in the NFIP

The NFIP can provide flood insurance coverage only in those states and communities that adopt and enforce floodplain management measures that meet the minimum NFIP requirements set by regulation.¹ Participation in the NFIP is voluntary, and communities must apply to participate. FEMA identifies Special Flood Hazard Areas (SFHAs) - the land area in the floodplain subject to a 1 percent or greater chance of flooding in any given year - on Flood Insurance Rate Maps (FIRMs).

Newly identified communities that do not have a map will have one year after they are identified as floodprone (the FIRM effective date) to participate in the NFIP, or sanctions apply.² Sanctions also apply to communities participating in the NFIP that are suspended or withdraw from the program.³ When a community is sanctioned, Federal officers and agencies are prohibited from approving any financial assistance for acquisition or construction purposes in an area of special flood hazard in the community.⁴

Financial assistance for acquisition or construction purposes includes:

- Financial assistance for the acquisition, construction, reconstruction, repair, or improvement of any publicly or privately owned building or mobile home,

and for any machinery, equipment, fixtures, and furnishings contained or to be contained therein.

- The purchase or subsidization of mortgages or mortgage loans.
- Federal disaster assistance in connection with a flood under the Stafford Act.

To determine if a community participates in the NFIP, consult FEMA's Community Status Book at <https://www.fema.gov/national-flood-insurance-program-community-status-book>.

Federal Disaster Assistance Limitations

As stated, previously, when a community is sanctioned, Federal officers and agencies are prohibited from approving any financial assistance for acquisition or construction purposes in an area of special flood hazard in the community. This restriction does not apply to Federal disaster assistance under the Stafford Act, unless the assistance is in connection with a flood.⁵

Table 1 below lists the specific restrictions that apply to disaster assistance in SFHAs in non-participating communities, and it is followed by more detailed information about the restrictions.

	Always Eligible	Eligible in Disasters Other Than Flood
Public Assistance—Emergency Work	✓	
Public Assistance—Permanent Work		✓
Individual Assistance—Rental Assistance	✓	
Individual Assistance—Other Needs Assistance	✓	
Individual Assistance—Real and Personal Property		✓ (unless items are uninsurable)
Hazard Mitigation		✓

¹ 42 U.S.C. § 4012(c); 44 C.F.R. Part 60.

² *Id.* § 4105.

³ 44 C.F.R. § 59.24.

⁴ 42 U.S.C. § 4106.

⁵ 42 U.S.C. § 4003.

Public Assistance (PA) Program

- **Eligible:** Emergency Work

No restrictions apply. Eligible debris removal efforts and emergency protective measures under Sections 403, 407, and 502 of the Stafford Act (42 U.S.C. §§ 5170b, 5173, and 5192) are still eligible in communities that do not participate in the NFIP.

- **Not Eligible:** Permanent Work

The permanent repair, restoration, or replacement of otherwise eligible facilities under Section 406 of the Stafford Act (42 U.S.C. §5172) are not eligible under PA for those facilities located in an identified SFHA, when that community is not participating in the NFIP and the damages were incurred by flood.

(Consideration may be given for approved alternate projects when such projects are located outside of the SFHA.) PA will provide assistance for uninsurable facilities, i.e. bridges, roads, walkways, etc.

Individual Assistance (IA) Program

Housing Assistance

- **Eligible:** Rental assistance or lodging expenses, such as the reimbursement of hotel or motel expenses, or when rental properties are not available direct housing assistance may be provided.
- **Not-eligible:** Grants to permanently repair or replace insurable real and/or personal property, damaged by a flood.

Other Needs Assistance

- **Eligible:** Assistance for medical, dental, funeral costs, transportation and other expenses authorized under Section 408(e) of the Stafford Act (42 U.S.C. § 5174(e)). FEMA will consider referrals from the Small Business Administration (SBA) to meet these needs, when SBA denies a loan for such expenses and refers the application to FEMA.
- **Not-eligible:** Personal property losses that could have been insured by NFIP (such as appliances, clothing, and furniture).

In accordance with 44 C.F.R. § 206.110(k)(2), if a sanctioned community applies and joins the NFIP within six months of the federal disaster declaration, these limitations on federal disaster assistance will be lifted under the IA program.

Hazard Mitigation Grant Program (HMGP)

HMGP is one of three Hazard Mitigation Assistance (HMA) program grants that FEMA offers. HMGP mitigation sub-applications for projects sited within an SFHA are eligible only if the jurisdiction in which the project is located is participating in the NFIP. HMA grants cannot be given for acquisition or construction purposes if the site is located in a designated SFHA in a community that does not participate in the NFIP. Non-participating communities may submit projects to the HMGP only if the projects are located in an unmapped area or areas outside the SFHA. Refer to the current HMA Guidance for more information at <http://www.fema.gov/hazard-mitigation-assistance>.

For More Information

For further information on Federal disaster assistance from the SBA, the U.S. Department of Agriculture (USDA), and the Housing and Urban Development (HUD), visit the following:

- <https://www.sba.gov/content/disaster-loan-program>
- <https://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/index>
- <http://portal.hud.gov/hudportal/HUD?src=/info/disasterresources>

If a community decides to participate in the NFIP, they may visit <http://www.fema.gov/media-library/assets/documents/13610> to learn more about how to participate in the program, and the benefits of enrolling.