## **Table of Contents**

I.	Use of Hurricane Sandy Funds	2
II.	Insurance	5
III.	Housing	5
IV.	Eligibility	6

## I. Use of Hurricane Sandy Funds

## Question:

Fishermen lost equipment during Hurricane Sandy and replaced the equipment with personal funds. They were denied assistance by the Community Development Block Grant (CDBG) program because their income exceeded the income threshold. The State does not have an income restriction on the SSBG Sandy resources, therefore, these clients appear to be eligible for reimbursement for their damaged and lost equipment. Does the Federal program consider replacing lost equipment for these individuals an unmet need under the terms of the SSBG Sandy grant?

## Answer:

Yes, assisting the fishermen in replacing lost or damaged equipment is acceptable provided the State has documentation that the loss or damage is a result of Hurricane Sandy and the State has not set income restrictions for these funds. The State should document, also, that this expense was not reimbursed via the Federal Emergency Management Agency (FEMA), private insurance or other sources. To restate, there are no Federal income restrictions under SSBG Sandy funds, therefore, State regulations apply.

## Question:

An individual's roof was severely damaged by Hurricane Sandy. The home sustained additional damage because the client was declared ineligible for assistance from other resources, as the client does not live in a FEMA Individual Assistance-declared county, and repairs were not made in a timely fashion: a year lapsed during the time that the roof was damaged. The house sustained rain damage, and now has a considerable amount of mold and water damage. Would this home be eligible for SSBG Sandy resources?

## Answer:

Yes, the individual's damaged home repairs appear to be permissible based on the information the State has provided. The State should ensure that consistent criteria and application are developed that specifies a connection to the damage to the facility by Hurricane Sandy. The State should document, also, that this expense is not reimbursable via FEMA, private insurance or other sources. All applicable State rules apply.

## Question:

# Is it allowable to use the Hurricane Sandy funds to pay down some of the outstanding FEMA loans incurred by storm damage?

## Answer:

The law appropriating SSBG Sandy funds mandates that funds cannot be used for items that are reimbursable by FEMA. However, a distinction may be made between a direct benefit (e.g., direct reimbursement with no expectation of repayment) and loan assistance.

States may pay for all or a portion of expenses for which an individual or agency would otherwise qualify only for loan assistance, provided that the expenses are directly related to Hurricane Sandy impact, are otherwise consistent with State SSBG eligibility criteria and are included in a State plan.

## Question:

Can the SSBG Sandy Funds be used to contract with the Chamber of Commerce to provide services to small businesses affected by the storm? Specifically, the services are to repair an entire building, including new electrical, plumbing, drywall, interior flooring, deck, interior and exterior painting, kitchen equipment, computers, cash register, display cases, architects fees' and permit fees, etc.

### Answer:

SSBG Sandy funds for construction, as declared in the law making funds available, may be used for health or mental health care facilities, child care facilities, or construction, renovation or reconstruction of social services facilities. General small business construction appears to be more aligned with programs supported by the Federal Emergency Management Agency (FEMA) and Small Business Administration (SBA) that specifically target damaged businesses. The State should justify the use of SSBG Sandy funds to support small businesses in need of assistance to ensure alignment with the Hurricane Sandy law.

SSBG Supplemental Sandy funds may be used for activities and services (1) to prevent, reduce, or eliminate dependency; (2) to achieve or maintain self-sufficiency; (3) to prevent neglect, abuse, or exploitation of children and adults; (4) to prevent or reduce inappropriate institutional care; and (5) to secure admission or referral for institutional care when other forms of care are not appropriate, as well as construction activities outlined above. For a listing of the types of services typically supported with this grant, please see:

http://www.acf.hhs.gov/programs/ocs/resource/uniform-definition-of-services.

## Question:

Do businesses have to be "family-owned" to receive SSBG Sandy funds? Would the owners' incomes have to be under a certain level for them to be eligible for such grants, and would there be an asset limit attached to eligibility for grants?

#### Answer:

Federal guidelines do not limit the type of business that may be supported to "family-owned" for eligibility for SSBG Sandy Supplemental funds, or set income restrictions for SSBG Sandy resources. The State has the discretion in these areas. Moreover, the State should ensure

specifications for repair, renovation and reconstruction set for Hurricane Sandy Supplemental resources are applicable.

SSBG Sandy funds for construction, as mandated in the law making funds available, may be used for health or mental health care facilities, child care facilities, or construction, renovation or reconstruction of social services facilities. General business construction appears to be more aligned with programs supported by the Federal Emergency Management Agency (FEMA) and other Federal agencies with Supplemental resources that specifically target damaged businesses. The State should take care to justify the use of SSBG Sandy funds to support businesses in need of assistance to ensure alignment with the Hurricane Sandy law, and provide supporting documentation that clearly describes the purpose and use of Hurricane Sandy funds.

## Question:

## Do businesses have to employ a certain number of people and/or does a certain percentage of their workforce have to be lower-income workers?

## Answer:

Federal guidelines do not establish wage or income levels for eligibility for SSBG Sandy Supplemental funds beyond the restrictions set in the SSBG Sandy Supplemental law. Federal guidelines also do not set income restrictions for SSBG Sandy Supplemental resources. The State has the discretion in these areas. However, the State will need to affirm that the use of Hurricane Sandy funds is consistent with the law, and that funds are not duplicative of FEMA programs or private insurance.

SSBG Supplemental Sandy funds may be used for activities and services (1) to prevent, reduce, or eliminate dependency; (2) to achieve or maintain self-sufficiency; (3) to prevent neglect, abuse, or exploitation of children and adults; (4) to prevent or reduce inappropriate institutional care; and (5) to secure admission or referral for institutional care when other forms of care are not appropriate, as well as construction activities outlined above. For a listing of the types of services typically supported with this grant, please see:

http://www.acf.hhs.gov/programs/ocs/resource/uniform-definition-of-services.

SSBG Supplemental Sandy funds for construction, as mandated in the law making funds available, may be used for health or mental health care facilities, child care facilities, or construction, renovation or reconstruction of social services facilities.

## Question:

Can SSBG Supplemental Sandy resources be used to fund food at the disaster-specific recovery classes, open to affected residents, with the intention of promoting community resources be used for Congregate Meals?

#### Answer:

Yes, providing Congregate Meals at recovery classes is allowable based on the definitions of supportable activities with the SSBG, and in the interest of the recovery effort. Congregate Meals are those services or activities designed to prepare and serve one or more meals a day to individuals in central dining areas in order to prevent institutionalization, malnutrition, and feelings of isolation. Component services or activities may include the cost of personnel, equipment, and food; assessment of nutritional and dietary needs; nutritional education and counseling; socialization; and other services such as transportation and information and referral.

## II. Insurance

## Question:

## Can Hurricane Sandy funds be used to reimburse insurance deductibles?

## Answer:

Yes, assuming all other requirements for reimbursement are met, and that SSBG Sandy Supplemental funds are not used in lieu of insurance (as per the Sandy law), funds may be used to support deductibles for individuals impacted by the State. Generally, expenses that have not been reimbursed and are directly related to Hurricane Sandy are an allowable cost. Deductibles are amounts that must be paid out of pocket before the insurance company will fulfill its payment obligations. As such, amounts paid as deductibles are clearly not costs that are reimbursed under a contract for insurance and are therefore eligible for reimbursement with SSBG Sandy funds, assuming all other requirements for reimbursement are met.

## III. Housing

## Question:

Clients with reverse mortgages must have their home appraised by a HUD-certified appraiser in order to qualify for approval of the rebuild by the mortgage company. There are some clients who cannot afford the appraisal fee, and the fee is not a service covered by other organizations. Can this service be paid for using SSBG Sandy Supplemental funds under Housing Services?

## Answer:

Yes, payment for an appraisal is allowable if this expense is assisting Hurricane Sandy victims with housing expenses that have not been reimbursed through other resources. The definition of housing services in listed as follows: housing services are those services or activities designed to assist individuals or families in locating, obtaining, or retaining suitable housing. Component services or activities may include tenant counseling; helping individuals and families to identify and correct substandard housing conditions on behalf of individuals and families who

are unable to protect their own interests; and assisting individuals and families to understand leases, secure utilities, and make moving arrangements and minor renovations.

## Question:

If there is a previously-occupied bed paid by SSBG Supplemental Sandy Housing Services, and there is a new applicant for SSBG Sandy-funded Housing Services, must the State use the now-vacant bed for the new applicant, or is a new bed or placement allowable? One consideration is that the vacant bed or housing arrangement may not be suitable for that particular client for various reasons (gender, smoking/non-smoking, insufficient level of supportive services for the client, etc.).

### Answer:

The level of determining bed placement is a State issue, not a Federal issue; therefore State rules should apply. We will provide the Uniform Definition of Services in Federal policy for Housing Services, yet defer to the State on such details as whether a vacant placement with SSBG Sandy funds must be new or existing. Housing Services are those services or activities designed to assist individuals or families in locating, obtaining, or retaining suitable housing. Component services or activities may include tenant counseling; helping individuals and families to identify and correct substandard housing conditions on behalf of individuals and families who are unable to protect their own interests; and assisting individuals and families to understand leases, secure utilities, make moving arrangements and minor renovations.

## IV. Eligibility

## Questions:

## Are "undocumented persons" eligible for services funded by SSBG Supplemental?

#### Answer:

No, *undocumented persons* are not eligible for services funded by SSBG, which is considered a "Federal public benefit." Federal law restricts the access of certain categories of immigrants to specified Federal public benefits, including some benefits administered by the U. S. Department of Health and Human Services (HHS). HHS published general guidance on what constitutes a "Federal public benefit," and applicable programs for which the restrictions apply on August 26, 1997, (62 FR 45256) and August 4, 1998 (63 FR 41658).

HHS identified SSBG as one of the programs where these restrictions apply. As such, even though States set their eligibility requirements for SSBG-funded services, they must ensure that Federal provisions related to verification of qualified immigrant status in providing services are in full compliance. You can view the relevant interim guidance at http://www.gpo.gov/fdsys/pkg/FR-1997-11-17/pdf/97-29851.pdf.

All individuals and families targeted for services must be impacted by Hurricane Sandy and meet additional eligibility criteria established by the State for specific services included in the

intended use plan. Hurricane Sandy SSBG Supplemental Funds are available for services directly related to Hurricane Sandy that fall within the goals of the SSBG program and services as outlined in Title XX of the Social Security Act, as amended [42 U.S.C. § 1397 *et seq.*].

## Question:

Does recent guidance provided by ACF Office of Community Services on eligibility of undocumented residents for services funded by Social Services Block Grant (SSBG) address the issue of resident children (U.S. citizens) whose parents are undocumented?

### Answer:

Yes, if a child is a citizen and the primary beneficiary of the service being provided, the child's citizenship makes the child eligible for the service. If the service being provided benefits the child as well as other family members who are not citizens, the service should be pro-rated for the child only.

## Question:

## What are the parameters of using SSBG Supplemental Sandy funds to reimburse religious institutions?

#### Answer:

As noted in the "Administration for Children and Families' Policy on Grants to Faith-Based Organizations," religious or faith-based organizations often work on the front lines with government institutions in providing critical social services to vulnerable populations, including in response to emergencies such as Hurricane Sandy [see website link below].

There is no federal prohibition on SSBG Supplemental grants to faith-based institutions. Under the statute, States may set their own guidelines for sub-awarding. Consistent with federal regulations, funds may not be used for proselytization or activities for which a client may have a religious objection. The state should take care that sub-awardees make provisions to provide clients with services or activities consistent with client needs.

Additionally, under federal faith-based policy, a religious organization receiving a federal award is not required to alter its character (e.g., covering imagery associated with the faith), as services or activities are provided to assist a client using SSBG Supplemental funds. All principles that apply to non-religious awardees, including Office of Management and Budget cost principles, apply to religious organizations, in addition to any State provisions.

Additional information may be located here: <u>http://www.acf.hhs.gov/acf-policy-on-grants-to-faith-based-organizations</u>.