

**Social Services Block Grant (SSBG)  
Hurricane Sandy Supplemental  
Q&A  
October 2014**

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## **I. Use of Hurricane Sandy Funds**

Question:

**Fishermen lost equipment during Hurricane Sandy, and which was replaced with personal funds. They were denied assistance by the Community Development Block Grant because they were above the required income limit. Most of our previous clients who were able to replace their equipment did so at the cost of other important needs, and were frequently not able to replace all the equipment that was lost. The State does not have an income restriction on the SSBG Sandy, and as far as we're concerned, these clients could be eligible for reimbursement; however, if they have replaced their equipment and have no major demonstrated hardship as a result of doing so, do they have an unmet need under the terms of the grant? The State doesn't want to penalize the clients for having savings; but we also want to make sure we're following proper protocols.**

Answer:

Yes, this is acceptable provided the State has documentation that the loss of equipment is a result of Hurricane Sandy and the State has not set income restrictions. The State should document that this was not reimbursed via FEMA, private insurance or other sources. There are no Federal income restrictions under SSBG Supplemental. State regulations apply.

Question:

**An individual's roof was severely damaged by the hurricane. The home sustained additional damage because the individual client was declared ineligible for assistance from other sources, as the client does not live in an Individual Assistance-declared county. A year lapsed during the time that the roof was damaged, and another organization partially repaired the roof. The house sustained rain damage, and now has a considerable amount of mold and water damage. Are these home repairs eligible?**

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. 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?**

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Answer:

The appropriations language indicates that SSBG Sandy funds cannot be used for items that are reimbursable by FEMA:

- The State must establish policies regarding the repayment of loans;
- Any loan payment for mortgage costs requires a waiver;
- States must ensure that activities are not reimbursable through FEMA disaster assistance, under a contract for insurance, or by self-insurance.

While SSBG may not pay for an expense that is reimbursable through FEMA disaster assistance, 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 and 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:

The State should justify the use of SSBG Sandy funds to support the kinds of private businesses contemplated by the State versus other private businesses that might not be as deserving or in need of assistance, but that are still vital to rebuilding economies damaged by Hurricane Sandy. This is particularly important given that there are other programs provided by Federal Emergency Management Agency (FEMA) and Small Business Administration (SBA) that specifically target damaged businesses.

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. Funds may also be used for health or mental health care, child care, or construction, renovation or reconstruction of such related facilities. 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>.

Federal law making SSBG Sandy Supplemental funds available mandates that money should not be used for services or activities otherwise reimbursed by FEMA programs, private insurance, and to ensure there is no duplication of payment. The States should establish policies and procedures to ensure that funds are applied consistent with Federal law.

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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. Moreover, Federal guidelines do not set income restrictions for SSBG Sandy resources. The State has the discretion in these areas, so long as the service or activity falls within the broad goals of the law making SSBG Sandy funds available.

The State will need to justify the use of Hurricane Sandy funds for a family-owned business. The State should provide supporting documentation that clearly describes the purpose and use of Hurricane Sandy funds for a family-owned business. If the State is proposing renovations and repairs, a waiver from HHS is required.

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 the type of business for eligibility for SSBG Sandy Supplemental funds beyond the broad goals of 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 to assist small businesses is consistent with the law, and that funds are not duplicative of FEMA programs or private insurance. The State should ensure there is no duplication of payment.

Question:

**Can the SSBG 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 meals at recovery classes is allowable based on the definitions of Congregate Meals. 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

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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. 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:

**A question has been raised concerning clients who are eligible for home rebuilds through the Long-Term Recovery Committee, but who have reverse mortgages on their homes. 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 the Long-Term Recovery Committee or other organizations. Can this service be paid for by the SSBG 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 is listed below, and as long as the service is within this scope it is allowable. 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:

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**If there is a vacant bed in the county where an applicant for SSBG Sandy-funded housing lives, does that vacant bed (that we have funded previously) have to be used instead of the new Sandy-funded bed? Or is that general concept of SSBG-Sandy being the “payer of last resort” not (as) applicable here in this scenario? One consideration is that the vacant bed 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 use of vacant beds in Supportive Housing is an allowable use of SSBG Sandy funds. Supportive Housing, as defined in the Uniform Definition of Services supported by SSBG Sandy, can be found here: Uniform Definition of Services <http://www.acf.hhs.gov/programs/ocs/resource/uniform-definition-of-services>. The level of determining bed use by the county is a local/State issue, not a Federal issue; therefore State rules should apply.

#### **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 that are considered “Federal public benefits.” 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:

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**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 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 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 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: <http://www.acf.hhs.gov/acf-policy-on-grants-to-faith-based-organizations>.