

FEMA and SBA

For low-income individuals and families, a natural or man-made disaster can be financially devastating. There are many forms of financial assistance offered to disaster survivors. Understanding your options when disaster strikes is key to making a full financial recovery.

Most people are familiar with the Federal Emergency Management Agency (FEMA). FEMA provides financial assistance to individuals so that they can repair or replace their home and personal property. FEMA can also provide money for temporary housing and basic needs immediately after a disaster.

Many people are less familiar with the Small Business Administration (SBA). SBA is a federal agency that offers low-interest disaster recovery loans to individual homeowners, renters, and businesses.

Facts:

The President must declare that a “major disaster” has occurred in your county before you can apply for FEMA assistance or an SBA disaster recovery loan.

Disaster survivors can apply for both FEMA assistance and a SBA loan, but the organizations will work together to make sure you don’t “double-dip.”

FEMA financial assistance does NOT have to be paid back. SBA loans MUST be paid back over time, like any other loan.

How much help can FEMA give me?

Up to \$43,600 in Housing Assistance for 2025

Up to \$43,600 in Other Needs Assistance for 2025 to assist with the repair or replacement of personal property (furniture, appliances, clothing) and vehicles

There are several other forms of assistance that do not count toward these limits, such as temporary rental assistance, moving and storage assistance, and funeral assistance. Please visit <https://www.fema.gov/assistance/individual/housing> for an

overview of different types of assistance survivors may apply for.

How much help can SBA give me?

Homeowners can borrow up to \$500,000 to repair their home.

Renters and homeowners can borrow up to \$100,000 to help repair or replace personal property.

To learn more about SBA loans and begin the application process, visit <https://www.sba.gov/funding-programs/disaster-assistance/physical-damag...> The deadline to apply for an SBA loan is 60 days after the President's major disaster declaration.

Applying for FEMA assistance

If your home or personal property was damaged or destroyed in a disaster, there are some steps you should take to prepare to apply for FEMA assistance and any other financial assistance that might be available to survivors.

Take plenty of photos of the damage. Make a list of everything that was damaged or destroyed.

If you have insurance for anything that was damaged or destroyed, submit a claim. FEMA can only help with costs that were not covered by your insurance. If you apply for FEMA assistance, you will need to provide proof that you were not insured or that your insurance did not cover your losses.

The Application Process

You have 60 calendar days from the date the President declares a major disaster to apply for FEMA assistance. This deadline may be extended depending on the circumstances of the particular disaster, but you should assume that it is a firm deadline.

If you want to apply for assistance but do not know the deadline, you should visit www.disasterassistance.gov or call the FEMA helpline at 800-621-3362 as soon as possible.

When you apply for FEMA assistance, you will need the following:

- Social Security number
- Annual household income
- Insurance company information for any insured property
- Bank account information (if you want FEMA to deposit your award into your bank account. Otherwise, you will receive a check in the mail)
- Information about the damage to your property

There are four ways to apply:

1. In-person at a Disaster Recovery Center (DRC): To locate your nearest DRC, visit <https://egateway.fema.gov/ESF6/DRCLocator>, call the FEMA helpline at 800-621-3362, or download the FEMA mobile app.
2. Online: www.DisasterAssistance.gov
3. On FEMA's mobile app
4. Over the phone at 800-621-3362 If you apply over the phone, you will be given instructions on how to submit any supporting documents, such as photos of the damage.

FEMA employees may also come door to door to assist with applications. These employees will have official FEMA ID cards. If someone comes to the door and claims to be FEMA but does not have an ID card, decline their assistance and apply in person, online, or over the phone. Call FEMA's Fraud Hotline at (866) 223-0814 and file a report with the KY Attorney General at ag.ky.gov/scams.

After You Apply

FEMA ID Number

You will receive a 9-digit application ID number. You will need this number if you need to contact FEMA for any reason. Write it down and keep it in a safe place.

Home inspection

A FEMA employee will come to your property and inspect the damage, make notes, and take photos. The inspector does not decide whether you receive assistance.

FEMA will call you to schedule the inspection. FEMA staff and inspectors may call from an unknown or restricted phone number. They will usually try to contact you three times.

What your inspector will ask for:

- Copy of insurance policy
- Proof of ownership or occupancy of the home: The easiest way to prove ownership is a deed. The easiest way to prove occupancy is a lease. FEMA may accept other documents. To learn more, visit <https://www.fema.gov/fact-sheet/how-prove-home-ownership-or-occupancy-f...>

What your inspector should NOT ask for:

- Bank account information or payment for the inspection. FEMA inspections are ALWAYS free.
- Your FEMA application ID number.

For more information about the home inspection process, visit <https://www.fema.gov/assistance/individual/after-applying/home-inspecti...>

Receiving FEMA's decision

You will receive a letter stating the amount of assistance you have been approved for. If you were denied, your letter will briefly explain why.

You may also receive a letter stating that more information is needed to make a decision on your application. The letter will provide instructions on the additional information or documents needed and how to submit them. This is not a decision letter.

Your decision letter will include instructions to file an appeal.

It is important to read your entire decision letter, because it may contain information about automatic enrollment in flood insurance or a requirement that you obtain flood insurance to be eligible for FEMA assistance in the future. For more information, visit: <https://www.fema.gov/fact-sheet/flood-insurance-and-fema-assistance>.

Long-term considerations if you receive FEMA assistance

Recoupment

It is important that you only spend FEMA funds on goods and services directly related to your disaster recovery. FEMA does not directly monitor the way your assistance is spent, but it is possible that one could inform FEMA if they suspect someone they know is using their FEMA award improperly. This could lead to “recoupment,” which is when FEMA tries to make you pay back your award.

FEMA will notify you by mail if they are investigating you for suspected fraud or improper use of funds. For more information, see this helpful article for Legal Aid of North Carolina: <https://legalaidnc.org/resource/fema-recoupment-what-does-it-mean-when-you-are-asked-by-fema-to-pay-money-back/>.

Flood Insurance

It is important that you read your entire decision letter from FEMA.

It is possible that, along with your FEMA financial assistance, you were enrolled in a group flood insurance policy. Your decision letter will discuss this.

It is also possible that, depending on your location’s flood risk, your FEMA award came with the requirement that you purchase flood insurance to be eligible for FEMA assistance in the future. This will also be discussed in your decision letter.

For more information, visit <https://www.fema.gov/fact-sheet/flood-insurance-and-fema-assistance>.

If you have questions about whether you have been enrolled in a flood insurance policy or whether a flood insurance requirement has been placed on your property, call the FEMA helpline at 800-621-3362. If you want to enroll in flood insurance or have questions about your policy, call the National Flood Insurance Program (NFIP) at 877-336-2627.

Appeals

Appeals must be submitted within 60 days of receiving FEMA's decision letter.

Your decision letter will explain the documents or information that will need to be provided in your appeal packet. Along with these documents, you will need to complete an appeal form. This form should be included with your decision letter, but you can also access it at

https://www.fema.gov/sites/default/files/documents/FEMA_Form_FF-104-FY-...

After your first appeal

FEMA has 90 days to make a decision on your appeal and inform you in writing.

Keep an eye on your phone and mail after you've submitted an appeal. FEMA may need more information to make a decision:

1. They may send you a letter requesting more documents to support your appeal.
2. They may call you to request more information, or to schedule a second inspection.

If your appeal is denied, and your circumstances have changed, you can appeal again.

You do not need an attorney to file a FEMA appeal. However, the appeal process can be confusing and overwhelming. AppalReD can help with your FEMA appeal.

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