



FEMA Denial Letter: Not The Last Word

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PASADENA, Calif. -- Californians who have applied for disaster assistance following the wildfires and have received a denial letter should not be alarmed. Every homeowner who has insurance will get a Federal Emergency Management Agency (FEMA) denial letter if their insurance claim isn't settled.

FEMA cannot provide assistance for temporary housing, home repairs or replacement which is available from another source, including insurance. But FEMA may be able to assist with losses not covered in an insurance policy.

"A denial letter doesn't automatically mean that an applicant is not eligible for assistance," said Federal Coordinating Officer Mark Neveau. "Updated information from the insurance settlement will be needed. When that information is available, applicants can inform FEMA at the Helpline number, 1-800-621-3362 or talk to a representative at a Local Assistance Center or a Disaster Recovery Center."

FEMA and the Governor's Office of Emergency Services (OES) recognize that applicants may have unmet housing needs even if the homeowners have insurance.

"Those affected may appeal to FEMA for rental assistance if they have used all the rental funds provided by their insurance company or their insurance settlement is delayed longer than 30 days," said State Coordinating Officer Tom Maruyama.

However, even before the insurance settlement is reached, homeowners can apply for U.S. Small Business (SBA) low-interest loans up to \$200,000 for their primary residences, and up to \$40,000 for uncompensated personal-property losses, including automobiles. SBA disaster loans can include the insurance deductible; FEMA grants cannot be used for the deductible.

Failure to complete an SBA loan application also may trigger a denial letter. Applying for an SBA loan may make the applicant eligible for other forms of disaster assistance.

FEMA coordinates the federal government's role in preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters, whether natural or man-made, including acts of terror.