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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 a low-interest SBA disaster recovery loan.
- Disaster survivors can apply for both FEMA assistance and a SBA loan, but the agencies will work together to make sure a disaster survivor does not “double-dip” to prevent a duplication of benefits.
- FEMA financial assistance does NOT have to be paid back. It is not taxable and is not counted as income. FEMA assistance does not impact any government benefits like Social Security, Welfare, SNAP, etc.
- SBA loans MUST be paid back over time, like any other loan.

How Much Financial Assistance Can FEMA Provide?

Disaster survivors are eligible for up to \$43,600 in Housing Assistance for 2025.

Disaster survivors are eligible for up to \$43,600 in Other Needs Assistance for 2025 to assist with the repair or replacement of personal property (e.g. furniture, appliances, clothing, etc.) 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 the different types of assistance disaster survivors may be eligible for.

How Much Financial Assistance Can SBA Provide?

Homeowners can apply to borrow up to \$500,000 to repair or replace their primary home.

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

To learn more about SBA loan eligibility 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 due to 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 photos of the damage.
- Make a list of personal property that was damaged or destroyed.
- Submit an insurance claim for anything that was damaged or destroyed. FEMA can only help with costs that were not covered by your insurance. Even though homeowners' insurance will not cover flood damage, you will need to provide

FEMA with the insurance denial letter.

The FEMA Application Process

Disaster survivors have 60 days from the Major Disaster Declaration date to apply for FEMA assistance. This deadline may be extended, but you should assume that it is a firm deadline.

If you want to apply for assistance but do not know the deadline, 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 use direct deposit (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 the 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 at 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.

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 with 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 1-866-223-0814 and file a report with the Kentucky Attorney General at ag.ky.gov/scams.

After You Apply to FEMA

FEMA Registration Number

You will receive a 9-digit registration number. Write it down and keep it in a safe place. You will need this number anytime you contact FEMA or submit an appeal letter.

Home Inspection

FEMA will call you to schedule an inspection of your primary residence and take photos. FEMA representatives and inspectors may call from an unknown or restricted phone number. They will usually try to contact you three times to schedule an inspection. The inspector does not decide whether you receive assistance.

What your inspector will ask for:

- Your photo ID
- List of household occupants living in the home at the time of the disaster
- All disaster-caused damage to property
- Your insurance policy and other documents requested by the inspector
- 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 [How to Prove Home Ownership or Occupancy for FEMA | FEMA.gov](#).

What your inspector will NOT ask for:

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

For more information about the home inspection process, visit

<https://www.fema.gov/assistance/individual/after-applying/home-inspecti....>

Receiving FEMA's decision

FEMA has up to 90 days to determine the amount of assistance you may be eligible for.

You will receive a letter, email, or notification in the FEMA mobile app stating the type and amount of assistance you have been approved for. If you were denied, your letter will briefly explain why and how to appeal FEMA's decision.

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

Your decision letter will include instructions to file an appeal if you disagree with the amount received or were denied.

It is important to read your entire decision letter, because it may contain information about automatic enrollment in flood insurance or if you are required to obtain flood insurance in order 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

Recoulement

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 someone could report potential misuse to FEMA if they suspect improper spending. This could lead to “recoulement,” which is when FEMA has you pay back your assistance or prove that you spent the assistance appropriately.

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-recoulement-what-does-it-mean-when-you-are-asked-by-fema-to-pay-money-back/>.

Flood Insurance

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

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

It is also possible that, depending on your primary residence's flood risk, your FEMA assistance came with the requirement that you purchase flood insurance to be eligible for FEMA assistance in the future. This flood insurance requirement also be stated 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 get a quote for 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 the date of FEMA's decision letter.

If you have extenuating circumstances that prevent you from submitting a FEMA appeal letter within 60 days, include a short explanation of the reason.

Your FEMA decision letter will list the additional documents or information that will need to be provided with your appeal. Along with these supporting documents, you should include an appeal request form. The appeal request 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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