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News Release

Duplication of Benefits: What it Means

SIOUX FALLS, S.D. – When determining the amount of federal disaster assistance provided by FEMA to applicants affected by this summer's severe storms and flooding, part of FEMA's process is to verify there is no "duplication of benefits".

By law, FEMA cannot provide financial assistance when any other source, such as insurance, charities, or crowdfunding, has provided assistance for the same disaster-caused need or when that funding is available from another source.

Note: If the crowdfunding campaign is for general disaster recovery and not for a specific item FEMA provided, then it is not considered a duplication.

Example of a duplication of benefits: FEMA cannot pay for home repairs if a homeowner already is receiving sufficient funds from their insurance company for the same repairs.

FEMA assistance is not a substitute for insurance and cannot compensate for all losses caused by this summer's severe storms and flooding. Grants from FEMA are intended to meet basic needs and supplement an applicant's disaster recovery needs.

Insured applicants must provide documentation to FEMA that identifies their insurance settlements or benefits before FEMA will consider their eligibility for some programs that may be covered by insurance.

FEMA may provide money to help meet an applicant's immediate needs when their insurance benefits are delayed for 30 days or more through no fault of their own.

Applicants who have received FEMA funds are urged to keep receipts of their disaster spending for three years to document that the money was used to meet disaster-related needs. If a recipient receives an insurance settlement to cover the same expenses, they must reimburse FEMA. Applicants' cases may be reviewed to confirm money was spent properly.

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