## DUPLICATION OF BENEFITS POLICY

The Robert T. Stafford Disaster Relief and Emergency Assistance Act is the primary legal authority establishing the framework for the Federal government to provide disaster and emergency assistance. Section 312 of the Stafford Act requires that recipients of federal disaster recovery funding make certain that no, "person, business concern or other entity" will receive duplicative assistance. Recipients who receive Federal disaster assistance are liable for repayment of the amount of Federal disaster assistance that duplicates benefits available for the same purpose from another source. However, when assistance covers only a part of the recipient's disaster needs, additional assistance to cover needs not met by other sources will not cause a duplication of benefits (DOB).

A Duplication of Benefits occurs when the following three criteria are met:

- A beneficiary receives assistance,
- the assistance is from multiple sources (i.e., private insurance, FEMA, NFIP, non-profits, City, State, etc.), and
- the assistance amount exceeds the need for a particular recovery purpose.

## PROCEDURE:

To determine that CDBG-DR assistance does not duplicate other funds received for the same activity (i.e., does not replace other funds received), \_\_\_\_\_\_ will use the following process steps to prevent a DOB from occurring:

- 1. Identify the total need for assistance prior to any assistance being provided.
- 2. Identify all potentially duplicative assistance received or to be received.
- 3. Deduct assistance determined to be duplicative.
- 4. Determine maximum award.
- 5. Determine program cap (if applicable).
- 6. Determine final award.

Since disaster recovery needs are calculated at one point in time, subsequent circumstances may occur that affect need. If, after the assistance has been calculated and/or a CDBG-DR award has been made, an applicant can demonstrate a change in circumstances, the award calculation may be subsequently reevaluated to take the increased need into consideration. Such changes in circumstances may include:

- Additional damage caused by a subsequent disaster.
- An increase in the cost of materials and labor.
- Additional costs to account for compliance or resiliency measures.
- Additional funding made available or received post-award.

Once funds are awarded, minus any determined DOB, the applicant is required to notify \_\_\_\_\_\_\_\_ of the receipt of any additional funds received for the same activity. If additional funds are determined to be a DOB, funds will be withheld from future pay requests. If all funds have been expended and a DOB is identified, the applicant will be required to repay the funds.

## SUBRECIPIENT RESPONSIBILITY:

By certifying this policy, \_\_\_\_\_\_\_\_\_ is responsible for ensuring that duplication policies and procedures are followed and DOB calculations and certifications are available for all beneficiaries. Chapter 10 of the CDBG-DR Subrecipient Manual goes into detail on the DOB process and how subrecipients will coordinate with Kentucky DLG to verify DOB before final awards are made. Also, DLG has provided templates for calculating and certifying DOB as part of that chapter.

will review the Chapter and utilize the templates provided when implementing the CDBG-DR program(s).

In addition, any executed grant agreements will include language on subrogation and recapture procedures to ensure the identification and the return of any DOB.

This policy will be reviewed annually and, if required, be revised as needed to address State and Federal requirements

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_