Affairs (BIA).⁹⁵ Alaska Native Corporations are ineligible to apply for assistance as they are privately owned.⁹⁶ When a federally recognized Tribal Nation receives a presidential emergency or major disaster declaration, they do not need to designate a separate department or agency to act as the recipient.

While state recognized Tribal Nations that are not federally recognized cannot request a presidential declaration, they are eligible to receive PA, as are heritage groups.

C. Local Governments

The following types of local governments are eligible applicants:97

- Counties and parishes;
- Municipalities, cities, towns, boroughs, and townships;
- Local public authorities;
- School districts;
- Intrastate districts;
- Councils of governments (regardless of whether incorporated as nonprofit corporations under state law);
- Regional and interstate government entities;
- Agencies or instrumentalities of local governments;
- State recognized Tribal Nations; and,
- Special districts established under state law.
 - Community development districts are special districts that finance, plan, establish, acquire, construct, or reconstruct, operate, and maintain systems, facilities, and basic infrastructure within their community development. The district must own and be legally responsible for maintenance, and operation of an eligible facility that is open to and serves the general public. 98 Community development districts generally meet the requirement of serving the public based on the same criteria used for PNPs under Applicant Eligibility: Private Nonprofit Organizations in this chapter.

The state or a political subdivision of the state may submit applications on behalf of rural communities, unincorporated towns or villages, and other public entities not listed above.⁹⁹

V. Applicant Eligibility: Private Nonprofit Organizations

FEMA evaluates a PNP's organization status, and the services provided in each facility owned or operated by the PNP to determine whether it is eligible.

⁹⁵ For more information, refer to: <u>Tribal Leader Directory | geoplatform.gov</u>.

⁹⁶ Stafford Act § 102(6); 42 U.S.C. § 5122; 44 C.F.R. §§ 206.201(i) and 206.222(c); 2 C.F.R. § 200.1.

⁹⁷ Stafford Act § 102(8); 42 U.S.C. § 5122; 44 C.F.R. §§ 206.2(a)(16) and 206.222(a); 2 C.F.R. § 200.1(h).

⁹⁸ Community Development Districts generally meet the requirement of serving the public based on the same criteria used for PNPs in Chapter 3.V: Applicant Eligibility: Private Nonprofit Organizations.

⁹⁹ Stafford Act § 102(8)(c); 42 U.S.C. § 5122; 44 C.F.R. § 206.2(a)(16)(iii).

To be eligible, a PNP must have been an established PNP organization, ¹⁰⁰ have owned or operated an eligible PNP facility at the time of the incident period, and ensured that the facility is one that provides an eligible service, which is categorized as either (1) critical services, or (2) noncritical, but essential social services (see Figure 4. PNP EligibilityError! Reference source not found.). ¹⁰¹ All three criteria must be met to be an eligible applicant.



Figure 4. PNP Eligibility

A. Organization Eligibility

For an organization to demonstrate its qualifications as a PNP, it must provide a ruling letter from the U.S. Internal Revenue Service that was in effect as of the declaration date and granted tax exemption under sections 501(c), (d), or (e) of the Internal Revenue Code; or documentation from the state substantiating it is a non-revenue producing, nonprofit entity organized or doing business under state law. ¹⁰² For a list of documentation needed to demonstrate these requirements, see <u>Table 6. Required Documentation and Information for PNP RPA</u>.

If the organization is not required to obtain 501(c)(3) status or tax-exempt status under applicable state law, it must provide articles of association, bylaws, or other documents indicating that it is an organized entity, and a certification that it is compliant with Internal Revenue Code section 501(c)(3) and state law requirements.

B. For-Profit Entities

For-profit entities are not eligible applicants for assistance from FEMA under the PA Program. However, SLTT government entities may contract with private entities, including for-profit entities, to carry out eligible emergency protective measures. In these cases, FEMA will reimburse the eligible applicant for the cost of eligible work, and the applicant may then compensate the private entity for the provision of goods or services.

C. Facility Eligibility

Prior to determining whether a PNP is an eligible applicant, FEMA must first determine whether the PNP owns or operates an eligible facility that provides an eligible service.

A facility owned or operated by a PNP that provides a critical service defined as education, utility, emergency, or emergency medical care is eligible (see <u>Table 3. PNP Eligible Critical Services</u>). Administrative and support facilities essential to the provision of a PNP critical service are also eligible facilities. Administrative and support facilities may include, but are not limited to laundry facilities, kitchens, dining areas, dormitories,

^{100 44} C.F.R. § 206.221(f).

¹⁰¹ 44 C.F.R. § 206.222(b).

¹⁰² 44 C.F.R. § 206.221(f).

storage, record keeping areas, parking lots, access roads or bridges, administrative offices, school gyms, and school playgrounds.

A facility owned or operated by a PNP that provides a noncritical, but essential social service and provides those services to the general public is eligible (see <u>Table 4. PNP Eligible Noncritical, Essential Social Services</u>). PNP facilities meet the requirement of serving the general public if all the following conditions are met:

- Facility use is not limited to any of the following:
 - A certain number of individuals;
 - A defined group of individuals who have a financial interest in the facility, such as a condominium association;
 - Certain classes of individuals; or
 - An unreasonably restrictive geographical area, such as a neighborhood within a community.
- Facility access is not limited to a specific population (such as facilities with gates or other security systems intended to restrict public access); and,
- Any membership fees meet all of the following criteria:
 - Are nominal;
 - Are waived when an individual can show inability to pay the fee;
 - Are not of such magnitude to preclude use by a significant portion of the community; and,
 - Do not exceed what is appropriate based on other facilities used for similar services.

In cases where a PNP is leasing a facility to another entity that is providing eligible PNP services, FEMA reviews any fees the lessee charges individuals for the services. FEMA does not review the cost of the lease to determine if the facility is serving the general public.

Certain types of facilities that restrict access in a manner clearly related to the nature of the facility, such as senior centers, center-based childcare, custodial care, rehabilitation, or educational facilities; or houses of worship (HOW) that limit membership in the organization to individuals who share a religious faith or practice, are still considered to provide essential social services to the general public.



Terminology

The Stafford Act references both rehabilitational facilities and rehabilitation facilities.

- Rehabilitational facilities are those that provide social services or counseling support for drug or alcohol dependency treatments.
- Rehabilitation facilities are those that provide rehabilitation services after physical injury.

Facilities established or primarily used for political, athletic, or recreational activities, vocational, conferences, retreats, or similar activities are ineligible for PA funding (see <u>Table 5. PNP Ineligible Services</u>).

PNPs that own or operate facilities that only provide noncritical services must also apply for a disaster loan for facility restoration from the U.S. Small Business Administration (SBA) (see <u>Small Business Administration Loan Requirement</u> in this chapter).

D. Multiple Facilities

If a PNP operates multiple facilities, or a single facility composed of more than one building, FEMA must evaluate each building independently, even if all are located on the same grounds. Structures that are part of a complex that includes outdoor facilities (e.g., swimming pools, athletic fields, or tennis courts) are not evaluated separately from the rest of the complex when determining eligibility of the building. Support facilities are evaluated based on the purpose of the facility they support. See Appendix E: Private Nonprofit Facility Eligibility Examples for examples of PNP facilities and corresponding eligibility determinations.

E. Mixed-Use Facility

Eligibility for PNP facilities that provide multiple services (mixed-use facilities) is dependent on the primary use of the facility. Primary use is determined by the amount of physical space dedicated to eligible versus ineligible services. Primary use is the use for which more than 50 percent of the physical space in the facility is dedicated. FEMA evaluates the entire structure when determining primary use; it does not separately address individual areas, such as floors, basements, or wings. Common space, such as bathrooms, hallways, lobbies, closets, stairways, and elevators are not included when calculating mixed-use space.

If FEMA determines that 50 percent or more of physical space is dedicated to ineligible services, the entire facility is ineligible. If the facility is eligible, FEMA prorates funding based on the percentage of physical space dedicated to eligible services. Depending on the specifics of the scenario, FEMA either prorates funding for debris removal and emergency protective measures or limits such funding to what is eligible, necessary, and reasonable. The applicant is responsible for the balance of restoration costs and must restore the entire facility to receive funding for repairs to the eligible-use portions of the facility.

Eligible PNP irrigation and PNP public broadcasting facilities are exempt from primary use requirements. For PNP irrigation facilities, FEMA will evaluate whether the facility was designed to provide eligible irrigation and whether it has ever been used for that purpose. If the facility was not designed for an eligible irrigation purpose, and has never been utilized for that purpose, it is not eligible.

F. Mixed-Use Space

In cases where a single PNP facility provides both critical and eligible non-critical services, FEMA does not perform a calculation to determine whether the primary use is for critical or non-critical services. FEMA only performs this calculation to determine whether a facility is primarily used for eligible services.

See <u>Appendix E: Private Nonprofit Facility Eligibility Examples</u> for examples of PNP facilities and corresponding eligibility determinations.

In cases where the same physical space is used for both eligible and ineligible services, the primary use is the use for which more than 50 percent of the operating time is dedicated in that shared physical space. If

space is available for use, but the applicant cannot support that it is used for eligible services for more than 50 of the percent of the operating time, this criterion is not met.

If FEMA determines that 50 percent or more of the operating time in the shared physical space is dedicated to ineligible services, then FEMA does not include that physical space when evaluating primary use.

G. Multiple Services

In cases where the facility provides multiple services, such as a community center, FEMA reviews additional items to determine the primary service that facility provides, such as:

- U.S. Internal Revenue Service documentation;
- Pre-disaster charter, bylaws, and amendments; and,
- Evidence of longstanding, routine (day-to-day) use (e.g., a calendar of activities).

H. Use by Multiple Entities

In cases where a PNP shares use of a facility, the facility is only eligible if it is primarily owned by the PNP applicant. FEMA prorates funding for these facilities based on the percentage of physical space that the applicant owns and dedicates to eligible services. The following guidelines are used to determine the eligibility of such facilities:

- If the eligible PNP owns the entire facility and leases a portion of it to another entity, the facility is eligible provided that the PNP dedicates more than 50 percent of the facility for eligible services. If the PNP leases 50 percent or more of the facility to an ineligible applicant, or for ineligible services, then the facility is ineligible.
- If the eligible PNP only owns a portion of the facility, it is eligible provided that the PNP owns more than 50 percent of the facility and dedicates more than 50 percent of physical space for eligible services.

I. Leased Facilities

If an eligible PNP leases a facility to another eligible PNP that provides an eligible service in that facility, the facility is eligible. Even though the lessee does not own the facility, it may be the eligible applicant because it operates the facility. Whichever PNP (the owner or the lessee) has the legal responsibility to maintain the facility is the eligible applicant.

J. Small Business Administration Loan Requirement

Following a major disaster declaration, the SBA provides loans to individuals and businesses for facility restoration. ¹⁰³ For PNPs with facilities that provide noncritical, essential social services, FEMA provides PA funding for eligible debris removal and emergency protective measures associated with the eligible facilities. However, FEMA only provides funding for permanent work costs that an SBA loan will not cover. Therefore, PNPs that do not provide any critical services must also apply for a disaster loan from the SBA¹⁰⁴ and receive a determination for permanent work on facilities that:

¹⁰³ For more information, refer to: <u>Small Business Administration | sba.gov</u>. For additional assistance with the application process, applicants should contact the SBA Disaster Customer Service Center at 1-800-659-2955.

¹⁰⁴ Stafford Act § 406(a)(3)(A)(ii); 44 C.F.R. § 206.226(c)(2).

- Provide noncritical services; or
- Are mixed-use facilities and the damaged portion of the facility provides services that are entirely noncritical.

PNPs do not need to apply for an SBA loan for any facilities that provide critical services (even if the facility also provides non-critical services).

Table 2. SBA Loan Requirements

Type of Services Provided	Emergency Work	Permanent Work
Critical Services	SBA loan application not required	SBA loan application not required
Non-critical but Essential Social Services	SBA loan application not required	SBA loan application is required

FEMA and SBA cannot provide disaster assistance funding that duplicates insurance proceeds. Applicants must pursue claims to recover insurance proceeds that they are entitled to receive from their insurer(s).

1. SMALL BUSINESS LOAN ELIGIBILITY

SBA disaster loans are available up to \$2 million to qualified businesses and most private nonprofit organizations. SBA loans cover disaster losses not fully covered by insurance or other sources. If an applicant is required to apply insurance proceeds to an outstanding mortgage on the damaged property, that amount can be included in the disaster loan application. Any proceeds from insurance coverage on business property may be deducted from the eligible loan amount.

SBA disaster loan funds may not be used to upgrade or expand a business, except as required by building codes. Mitigation assistance to make improvements that help reduce the risk of future property damage caused by a disaster is available up to a 20 percent loan amount increase above the facilities damage, if approved by the SBA.

Both FEMA and the SBA have application deadlines. Applying to both agencies as soon as possible ensures meeting both application deadlines. If the PNP misses the SBA application deadline, including any SBA approved extension, permanent work is ineligible for PA funding. If the PNP declines an SBA loan, PA funding is limited to the costs that the loan would not have otherwise covered. This applies even when the PNP cannot accept the terms of the loan by, for example not meeting a collateral requirement, and the SBA therefore denies the loan. Possible outcomes are shown in Figure 5. SBA Loan Outcomes.

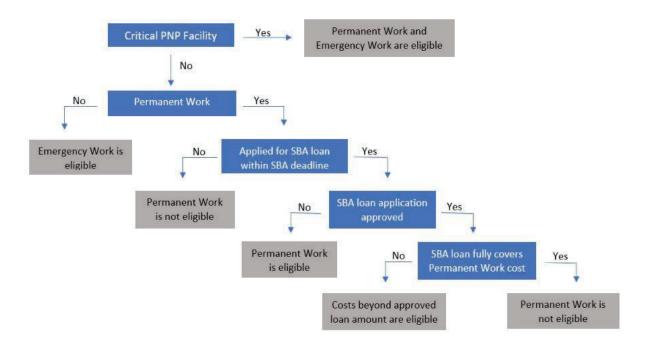


Figure 5. SBA Loan Outcomes

K. Private Nonprofit Services

Facilities that provide critical services or noncritical but essential social services that are provided to the general public are eligible for assistance. Please see <u>Table 3. PNP Eligible Critical Services</u>, <u>Table 4. PNP Eligible Noncritical</u>, <u>Essential Social Services</u>, <u>Table 5. PNP Ineligible Services</u>, and <u>Table 6. Required Documentation and Information for PNP RPA</u>.

Table 3. PNP Eligible Critical Services

Туре	Critical Services - Activities and Establishments
Education	 Primary or secondary education as determined under state law; OR Higher-education institutions that meet all of the following criteria: Admit students or persons having a high school diploma or equivalent; Are legally authorized to provide education beyond a secondary level; Award a bachelor's degree or 2-year degree that is acceptable as full credit toward a bachelor's degree or provides at least a 1-year training program to prepare students for gainful employment in a recognized occupation; and, Are accredited by a nationally recognized agency or association (as determined by the Secretary of Education). Educational facilities that meet the above criteria are eligible without regard to religious character or use for religious instruction.

Туре	Critical Services - Activities and Establishments
Emergency Medical	 Medical care (diagnosis or treatment of mental or physical injury or disease). These types of services are often provided in: Clinics; Dialysis facilities; Facilities that provide in-patient care for convalescent or chronic disease patients; Hospices and nursing homes; Hospitals and related facilities, including:
Utility	 Communications transmission and switching, and distribution of telecommunications traffic; Electric power generation, transmission, and distribution;¹⁰⁵ Irrigation to provide water for drinking water supply, fire suppression, or electricity generation; Sewer and wastewater collection, transmission, and treatment; and, Water treatment, transmission, and distribution by a water company supplying municipal water.
Emergency Services	 Ambulance; Fire protection; Rescue; and, Public broadcasting that monitors, receives, and distributes communication from the Emergency Alert System to the public.

 $^{^{105}}$ FEMA encourages restoration of these facilities with the use of low-carbon power generation sources.

Table 4. PNP Eligible Noncritical, Essential Social Services¹⁰⁶

Туре	Noncritical, Essential Social Services – Activities and Establishments
Community centers or other facilities established and primarily used for similar services	 Art services authorized by a SLTT government, including, but not limited to: arts administration, art classes, management of public arts festivals, and performing arts classes; Educational enrichment activities; Multi-purpose arts programming; Senior citizen projects, rehabilitation programs, community clean-up projects, blood drives, local government meetings, and similar activities; Services and activities intended to provide support for vulnerable communities, provided the facility is otherwise available to the public on a non-discriminatory basis; Social activities to pursue items of mutual interest or concern, such as: community board meetings, neighborhood barbecues, various social functions of community groups, and youth and senior citizen group meetings; and, Performing arts centers with a primary purpose of producing, facilitating, or presenting live performances, including: construction of production materials, creation of artistic works or productions, design, professional training, public education, and rehearsals.
Facilities that do not provide medical care, but provide related services	 Alcohol and drug treatment and other rehabilitation services; Assisted living; Custodial care, even if the service is not provided to the general public (including essential administration and support facilities); Center-based childcare, even if not provided to the public; Day care for individuals with disabilities or access and functional needs (for example, those with Alzheimer's disease, autism, muscular dystrophy); Food assistance programs, including food banks and storage of food for food programs; Health and safety services, including animal control services; Low-income housing (as defined by federal or SLTT law or regulation); Religious instruction; Residential and other services for families of domestic abuse; Residential services for individuals with disabilities; and, Shelter workshops that create products using the skills of individuals with disabilities.

 $^{^{106}}$ With exception of custodial care facilities and museums, administrative and support facilities essential to the provision of PNP noncritical service are ineligible facilities.

Noncritical, Essential Social Services - Activities and Establishments **Type** Facilities Homeless shelters; providing Houses of worship and faith-based organizations (e.g., churches, synagogues, other mosques, and temples); noncritical, Libraries: essential social Museums: services o Constructed, manufactured, or converted with a primary purpose of preserving and exhibiting a documented collection of artistic, historic, scientific, or other objects; o Buildings, associated facilities, fixed facilities, and equipment primarily used for the preservation or exhibition of the collection, including: o Permanent infrastructure, such as walkways and driveways of outdoor museum-type exhibition areas; Historic buildings, such as barns and other outbuildings, intended for the preservation and exhibition of historical artifacts within a defined area; o Permanent facilities and equipment that are part of arboretums and botanical gardens; o Infrastructure, such as utilities, and administrative facilities necessary for support; Senior citizen centers; and, Zoos.

Table 5. PNP Ineligible Services

Private Nonprofit Ineligible Services

- Community meetings or activities for only a brief period, or at irregular intervals;
- Athletic training;
- Political education and activities;
- Advocacy or lobbying groups not directly providing health services;
- Conferences;
- Flood control (e.g., levees, berms, dunes) not under the legal responsibility of a PNP;
- Land reclamation;
- Irrigation solely for agricultural purposes;¹⁰⁷
- Day care services not included in previous table of eligible services;
- Job counseling;
- Public housing, other than low-income housing;
- Recreation;
- Residential services not included in previous table of eligible services (e.g., cabins or other overnight accommodations);
- Cemeteries:
- Docks, piers;
- Camps;
- Retreats;
- Grounds at museums and historic sites; and,
- Open natural areas or features, or facilities that promote the preservation or conservation of such areas.

Table 6. Required Documentation and Information for PNP RPA

Туре	Required Documentation and Information for PNP RPA
All PNP Applicants	 A ruling letter from the Internal Revenue Service that was in effect on the declaration date and granted tax exemption under sections 501(c), (d), or (e) of the Internal Revenue Code; or
	 Documentation from the state substantiating it is a non-revenue producing, nonprofit entity organized or doing business under state law; or
	If exempt from both the requirement to apply for 501(c)(3) status and tax-exempt status under state law, the organization must provide articles of association, bylaws, or other documents indicating that it is an organized entity and a certification that it is compliant with Internal Revenue Code section 501(c)(3) and state law requirements.

Туре	Required Documentation and Information for PNP RPA
Legal Responsibility	 If the applicant owns the damaged facility, proof of ownership (e.g., deed, title, bill of sale or land contract, reoccurring mortgage payments or booklet, property tax receipt or property tax bill, or a real property structure insurance policy). If the applicant leases the damaged facility, proof of legal responsibility to repair the incident-related damage (e.g., lease contract/agreement).
Services	List of services provided in the damaged facility, when, and to whom.
Membership Organization	 Who is allowed membership; Fee policy or description of fees charged; and, Policy regarding waiving memberships.
Child Care Facility	 Proof that the State Department of Children and Family Services, Department of Human Services, or similar agency, recognizes it as a licensed childcare facility.
Education	 Proof that the school is accredited or recognized by the State Department of Education. State regulations for private schools vary and some states do not require accreditation. A PNP school must demonstrate that it is recognized by the state as providing elementary or secondary education. Depending on state requirements, documentation may include, but is not limited to, the following: Accreditation documents;
	 Certification from the State Department of Education that the applicant operated the facility as a PNP school at the time of the incident;
	 Documentation demonstrating compliance with the state's compulsory attendance laws;
	School-year calendar;
	School budget;
	Number of students and faculty;
	 Complete list of educational instruction property and equipment owned by the PNP;
	 Tax records; Documents reflecting school curriculum, transcripts, health and safety, or code of conduct;
	Tuition receipts;
	Financial statements;
	Commencement documents;
	 Inclusion in the U.S. Department of Education's National Center for Education Statistics Private School Universe Survey data;¹⁰⁸ and,
	 State Department of Education electronic and paper homeschool declaration or registration forms.

¹⁰⁸ For more information, refer to: The <u>Private School Universe Survey electronic search tool</u>.

Туре	Required Documentation and Information for PNP RPA
Mixed-Use Facility	 Proof of the established purpose of the facility with documentation, such as: U.S. Internal Revenue Service documentation; Pre-incident charter, bylaws, and amendments; or Evidence of longstanding, routine (day-to-day) use (e.g., a calendar of activities).