

Social & Economic Changes that will Effect Disaster Recovery

Considerations for Voluntary Agencies - 8/21/97

Background

Churches and voluntary agencies have typically built their disaster relief policies around the foundation of the core disaster programs (FEMA, IFG, HUD, Food Stamps, SBA, etc.) and non-disaster social service programs (Food Stamps, AFDC, SSI, HUD, etc.). With the exception of the Interfaith groups (that may continue working for months or years after the event) most voluntary agencies leave the relief operation long before the victims are fully recovered. Their goal is to only fill the emergency gap until federal, state and local governments can stabilize to meet the needs of their populations. Volunteers have been trained to meet disaster needs only until the victims can access longer term and more substantial government assistance. For many years eligibility for disaster relief and public assistance was based on qualifying need, and it could be assumed that a simple needs assessment would indicate qualification for government resources.

This process became more complicated one month after the Northridge Earthquake, in February 1994, when Congress passed the 1994 Emergency Appropriation Act providing only 90 days of emergency housing for victims who could not document that they were in the US legally at the time of the earthquake. Those who requested extended housing assistance were required to sign an affidavit swearing to this effect. In July of the following year, 1995 Emergency Appropriation Act was passed, prohibiting FEMA from any use of federal funds for disaster victims who were not in the US legally at the time of a major disaster. Now, even the initial 90 days of emergency housing is not available. This change went largely unnoticed by the voluntary agencies, most of whom don't focus on serving the population that was affected.

On August 22, 1996, President Clinton signed the Welfare Reform Act which placed strict time limits and behavior standards on public assistance, setting up a system that will, over the years, exclude increasingly large segments of the population from eligibility for all but emergency medical and in-kind assistance. Before these major changes, the entitlement aspect of the public "safety net" insured that public assistance would be based on need and everyone with qualifying need would be eligible.

But "need" is no longer the determining factor and eligibility for public assistance is now based on a combination of factors including age, demographics, previous assistance received, immigration status, personal behavior, employment status, and criminal record. The change is so massive and complicated that no one can be sure of the long-term implications. What is certain, is that voluntary agencies can no longer make blanket assumptions about supplementary resources that will be available to people after the emergency phase of a disaster relief operation. Some factors to be considered include:

Past experience is irrelevant

Responsibility for most Public Assistance has been given to the States along with lump sum funding in the form of block grants. Many States are choosing to pass that responsibility on the Counties, along with the freedom to design local programs and define eligibility. In each disaster, out of town organizations doing casework or referrals should check to see what programs are available to which populations. This issue should be discussed in the initial VOAD meetings as the relief effort is being set up.

Non-disaster assistance may run out, affecting long term recovery

End of Entitlement - For the first time in 60 years, there are no more public assistance entitlements (everyone with the same need and the same means, was entitled to the same assistance). If the local or state block grant funding runs out, some areas may not be able to access additional welfare money, no matter what the need.

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States or counties that have suffered extreme or multiple economic disruptions (whether due to disaster or not) may have very minimal resources to offer their populations. Each year the federal block grant funding is scheduled to be reduced, never to increase again, regardless of the economic conditions or job market in the state. This means that even victims who meet all eligibility criteria will only receive government help until the money runs out.

When the emergency phase of the relief effort is over, local governments will be left to deal with the long term repercussions of excluding a portion of the populace from any kind of safety net. These could include public health and sanitation issues, increased long-term homelessness, crime, unemployment and public unrest. Ultimately large portions of the local economy could be hindered in recovery, reducing tax revenues.

The loss of entitlement may also mean that individuals and business that are secondary disaster victims (losses resulting long term economic disruption) will have no safety net. While there are limited (and sometimes poorly publicized) government relief programs, voluntary agencies have typically not addressed secondary loss.

Non-Citizens have limited options and may need special outreach

Undocumented Immigrants - Since July 1st, 1997, many government agencies are now required to report known undocumented aliens on a regular basis. Local policies on diligence in reporting may differ and voluntary agencies should make no assumptions based on past experience. Careful consideration must be given before making referrals or informing disaster victims on what is "safe" and what is not. Nobody knows what is safe anymore and typically undocumented immigrants (who are ineligible for virtually any type of non-emergency government assistance) are reluctant to ask for help. Even family members who may be qualified, might not want to give truthful family information in case it endangers their relatives.

"Legal" Immigrants – The rules have changed several times in the past 3 years, since the initial welfare reform legislation stripped almost all non-citizens of eligibility for public assistance. Due to public outcry, eligibility for *certain* federal benefits has been restored to *certain* "qualified" populations under *certain* circumstances. But merely being a legal resident of the US does not make an immigrant "qualified" for most programs. Additional criteria must be met. A complex kaleidoscope of arbitrary criteria has been created that cuts through every immigrant community, determining who has a right to resources and who does not. There are also several types of "legal" immigration status that are not "qualified", including students. "Future immigrants" (those who arrived after 8/22/96) even if qualified, are eligible for very little and may even face deportation if they apply for public assistance during their first 5 years in the USA. (*Exception* = Refugees who may ONLY receive assistance during the first 5 years in the USA, may be deported for asking after that period is over.)

In March of 1998, FEMA adopted the INS definition of "Qualified Alien" for immigrant eligibility determination. Each applicant household is asked to sign a legal affidavit of "Self-Declaration". There is still widespread concern among non-citizens that accepting any type of government assistance may jeopardize their immigration status and future ability to become US Citizens. In recent disasters it has been clear that fewer of low-income immigrant population were coming to the American Red Cross to apply for assistance, despite outreach to inform people that it is safe. Qualified immigrants should be encouraged to apply for disaster assistance because if they do not regain stability during the recovery period, they may have very little access to other types of public assistance.

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Elderly and Disabled Immigrants – Again due to public outcry, the Federal Balanced Budget Act of 1997 (signed 8/5/97) reinstated eligibility for SSI (also the linked Medicaid and In Home Supportive Services) to those elderly and disabled immigrants *who were already receiving benefits as of August 22, 1996*. In addition, those immigrants *who were legally in the US on that date* but not receiving SSI, will be eligible if they later become disabled (age alone will not qualify them). This eligibility was only guaranteed for 5 years, after which everyone is again in danger of having their benefits terminated. Non-citizen seniors who were not in the country on that August 22, 1996 (“future immigrants”) are no longer eligible for SSI at all. This will mean that over time there will be an increasingly large group of elderly and disabled with no access to public assistance. The new law stipulates that the immigrants' sponsors should be responsible, but if they too are disaster victims, this might not be feasible.

Limited welfare benefits for everyone

The Federal program TANF (Temporary Assistance to Needy Families) has replaced the previous AFDC (Aid to Families with Dependent Children) In California, CalWORKS is the new term for the combined GAIN and TANF (each state has its own catchy name). Strict CalWORKS time limits of 24 consecutive months (18 months for new applicants in some states) and 60 cumulative months in a lifetime, will gradually leave many families with no access to non-emergency assistance during long term recovery. (Children may still receive their portion of grants, through a voucher or direct payment system.)

There are several other ways that adults may be disqualified temporarily or permanently from access to public assistance. These include conviction of welfare fraud, any felony drug conviction, failure to attend school (for teen parents), failure to comply with work requirements, and other criteria that may be determined by each state or county. New sanctions, grant reductions, and the strict mandated requirements for reducing welfare rolls quickly, may have already pushed many people to the brink of homelessness.

Able-bodied US citizen adults with no dependents can access only 3 consecutive months of Food Stamps in any 36 month period (The 60 month cumulative lifetime maximum also applies). Counties may extend this period due to extensive unemployment and can require community service in exchange for continued benefits.

General Assistance (GA) is the only ongoing assistance available to those who, for any reason, cannot qualify for CalWORKS or SSI. Since this will continue to be funded by the Counties alone, eligibility and amount may vary depending on local budgets. Counties may choose to exclude anyone who is disqualified from state or federal public assistance for specific reasons. Currently, California GA is normally between \$100 and \$300 per month.

Voluntary agencies will encounter an increasing number of victims with no disaster insurance.

National Flood Insurance Policy (NFIP) - FEMA or IFG will provide one-time assistance to uninsured property located in a flood plain. This property will then be permanently banned from future aid if flood insurance is not obtained. This ban will continue through property transfers and sales, leaving many people with no insurance and possibly unaware that they have no access to federal disaster assistance.

California Earthquake Authority (CEA) - Recent large reductions in coverage combined with doubling or tripling of rates have caused many Californians to terminate their earthquake insurance since last June.

What does this mean to voluntary agencies providing disaster relief?

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- *Staff and volunteers have been previously trained to make assumptions that are no longer valid. Agencies must insure that everyone involved receives clear information on these local policies and issues, and understands the importance of sensitivity to the changes.*

Assessing a family's unmet needs and ability to recover, may require new types of questions. Some of these questions may be contrary to the historical policies of voluntary agencies. For instance, in order to determine eligibility for various disaster and non-disaster government assistance programs it might be necessary to know the victim's: immigration status, household composition, length of time in the US, length of residence in that state, criminal record, how much and what type of assistance the family has received in the past, etc.

- *Historical experience of unmet needs may not be relevant if a large part of the affected population has no insurance or no access to public assistance. When the emergency relief phase of the operation is terminated, families may literally have no access to food and housing assistance. Planning projections for costs, types and length of services should be re-evaluated.*

In some areas, a large ratio of households will be excluded from major sources of disaster relief as well as long term public assistance. Non-profit organizations will be unable to fill the gap. It is more important than ever that relief agencies understand each other's resources and share information in order to give good referrals.

- *Over time, reductions in access and amounts of public assistance will cause increased pre-disaster homelessness and sub-standard living situations. This may place voluntary agencies in a difficult position because most have policies that preclude making victims better off than their pre-disaster conditions.*
- *The federal shift from entitlement programs to capped resources, justifiably reinforces the "zero sum mentality" which has polarized various segments of the population. When there is no open ended funding,, what one person receives is a loss for another. If voluntary agencies place emphasis on helping people with minimal alternatives could lead to public resentment, reducing already inadequate donor support. There is the possibility of subtle pressure to focus on the more sympathetic or "popular" disaster victims in order to avoid a drop in donations.*

These are times of major transition, not only in resource availability but also in public philosophy on who deserves assistance and how much is necessary. Emphasis on personal responsibility has resulted in drastic reductions in government assistance with minimal consideration of the consequences. Despite consistent protest, the unspoken assumption continues to be that the churches and humanitarian organizations will pick up the pieces. Some organizations may find themselves unable to provide the same level of response in future disasters because of the additional resources needed for on-going non-disaster charitable or service programs.

The important thing is that service providers (both disaster and non-disaster) understand these changes as they relate to their organizations' capabilities and missions. Everything should be re-assessed. Ongoing information sharing and cooperation between government, service agencies and churches is more important than ever. Clarity and mutual support can reduce the chance of becoming immobilized in confusion at the time when people have the greatest need for assistance.