

Office of Community Development
Disaster Recovery Unit
State of Louisiana
Division of Administration

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July 24, 2019

FOR IMMEDIATE RELEASE

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State Accepting Public Comments on Duplication of Benefits Guidance for Great Floods of 2016

The Louisiana Office of Community Development is accepting public comments on an Action Plan Amendment. This amendment will recalculate some grants in the Restore Louisiana program based on recent Duplication of Benefits guidance received from the Department of Housing and Urban Development for recovery from the Great Floods of 2016.

The HUD guidance says that homeowners who declined or canceled their SBA loans will no longer have the SBA loan amount they did not draw down counted as a Duplication of Benefits with their Restore grant, regardless of income. Further, the amounts of SBA loans that were drawn down may be reimbursed after HUD approves this Action Plan Amendment. However, for homeowners with incomes more than 120 percent of the Area Median Income who accepted SBA loans, HUD must approve hardship waivers before those reimbursements may be paid.

APA 12:

- Describes for HUD the approach to recalculating Duplication of Benefits amounts in light of the new guidance.
- Explains that households with incomes above 120 percent AMI who accepted SBA loans must be able to demonstrate a "hardship" for the drawn amounts of the SBA loan not to be counted as a Duplication of Benefits.
- Sets out the general criteria for hardship exceptions.
- Affirms that HUD would need to approve homeowners' financial hardship justification on a case-by-case basis.
- Explains that, based on HUD's requirement that at least 55 percent of all grant funds benefit households that meet HUD's low-to-moderate income standard, amounts paid to households

over 120 percent AMI receiving the hardship exception for repayment of SBA loans will be 50 percent of the amount drawn down.

The formal public comment period for Action Plan Amendment 12 begins today, July 24, and continues until 5 p.m. Tuesday, Aug. 6, 2019. For more information, please visit [Action Plan Amendment 12](#).