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FOR IMMEDIATE RELEASE

Gov. Edwards Instructs Restore Louisiana to Reopen Survey and Extend Application Deadline

Today, Gov. John Bel Edwards instructed the Office of Community Development to reopen the Restore Louisiana Homeowner Assistance Program survey until Oct. 19, 2018 and extend the formal application deadline until Nov. 16, 2018, in response to a pending agreement reached by the U.S. House of Representatives and Senate to address the policy that currently considers Small Business Administration loans to be a Duplication of Benefits for federal grant funds, preventing many flood survivors from receiving the assistance needed to rebuild.

“We have been fighting to remove this federal impediment so that the Restore Louisiana program could provide assistance to more homeowners as they struggle to recover from the devastating floods of 2016,” Edwards said. “Given the pending agreement reached in Congress, we want to give homeowners more time to complete the program survey and application to provide as many flood survivors with the assistance that should have been available to them from day one. As we await the final vote by Congress, I want to thank our Congressional delegation—especially Congressmen Garret Graves and Cedric Richmond, and Senator Bill Cassidy—for their leadership in providing this much-needed relief to the people of our state and so many others affected by this federal policy. My administration is closely tracking this legislation and taking proactive steps to prepare a waiver requesting relief to be submitted to President Trump once this change is official.”

Once the new legislation passes Congress, is signed into law by the President and the U.S. Department of Housing and Urban Development provides guidance indicating it will no longer consider SBA loans for home repairs to be a duplication of benefits, the program will update awards for all current applicants impacted by the legislation regardless of where they are in the program. The program is implementing this change immediately and will contact applicants as the workflow progresses.

The initial program survey was reopened today and all flood-impacted homeowners who got SBA loans and have not yet taken the initial program survey are strongly encouraged to do so, regardless of income or whether you've completed your repairs. The survey takes less than 15 minutes to complete and is accessible online at restore.la.gov or by calling 1-866-735-2001 from 8 a.m. to 6 p.m. Monday through Friday. Additionally, homeowners may visit one of the program's four Housing Assistance Centers in Baton Rouge, Hammond, Lafayette and Monroe, all of which are open from 8 a.m. to 5 p.m. Monday through Friday.

Homeowners who meet program eligibility requirements based on their responses to the initial survey will be invited to complete a formal application. No action is needed by homeowners who have already submitted a program survey or application.

The Restore Louisiana Task Force will meet at 9:30 a.m. Tuesday, Sept. 25, in the Monroe Public Safety Center Auditorium. Congressman Garret Graves will be present at the meeting to provide additional information regarding the status of the pending federal legislation.

Background

Currently, flood survivors who applied for Small Business Administration loans immediately following the floods are not able to make full use of grant funding available through the Restore Louisiana Homeowner Assistance Program. The Federal Emergency Management Agency, in the immediate aftermath of a disaster, insisted that survivors apply for an SBA loan without fully disclosing that they could be penalized down the road. For example, a homeowner who was approved for a \$90,000 SBA disaster loan, but perhaps only borrowed \$30,000 immediately following the disaster, would be penalized in the grant program for the full approved amount of the loan. The federal government labels this scenario as a Duplication of Benefits. This is also the case if a homeowner borrowed \$0. That homeowner is still penalized for the full \$90,000.