



Disaster Assistance for Rural Communities Act

Frequently Asked Questions

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June 1, 2023

What is the Disaster Assistance for Rural Communities Act (RCA)?

The RCA was signed on December 20, 2022 (Public Law 117-249). The RCA gives SBA new authority to declare a disaster in a rural area upon request by the Governor of the State or the Chief Executive of the Indian Tribal government in which the rural area is located. Specifically, the SBA Administrator has the authority to declare a disaster in a rural area where a major disaster for Public Assistance has been declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, but where Individual Assistance was not authorized, if certain conditions are met.

What conditions need to be met to achieve an Agency Rural Disaster Declaration?

- The county (or other political subdivision) has received a major disaster declaration from the President under the Stafford Act, but individual assistance (IA) was NOT authorized (i.e., a Public Assistance major disaster declaration), and
- The county or other political subdivision contains a non-urban area, as defined by the Census Bureau, and
- Any ONE home, small business concern, private nonprofit organization, or small agricultural cooperative in a rural area within the county has incurred “significant damage” (uninsured losses of 40% or more of the estimated fair replacement value or pre-disaster fair market value of the damaged property, whichever is lower).

What is significant damage?

The term “significant damage” means, with respect to property, uninsured losses of not less than 40 percent of the estimated fair replacement value or pre-disaster fair market value of the damaged property, whichever is lower.

When the PA has multiple counties or political subdivisions then there must be at least one structure with major damage in each county/political subdivision requested for an SBA declaration (i.e., if nine counties are declared under PA and only four counties can identify a property with significant damage in a “Rural Area” then the declaration request will only be for those four counties).



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What does census consider a “rural area”?

According to the U.S. Census Bureau, a “rural area” is defined as any population, housing, or territory NOT in an “urban area”. A link to the U.S. Census “urban areas” definition can be found [Urban and Rural \(census.gov\)](#). The Field Operation Centers (FOC) staff is trained to identify rural areas for declaration purposes. Please reach out to your point of contact if there are questions about the rural/urban determination of a specific property.

What counties (or political subdivisions) are considered urban?

The term “rural area” means any county or other political subdivision of a state or territory designated as such by the U.S. Census Bureau. Based on data from the 2020 Census, there are 20 jurisdictions that would not potentially qualify for an Agency Rural Disaster Declaration under the Disaster Assistance for Rural Communities Act, because the Census classifies them as 100% urban areas. Other counties or political jurisdictions not listed below may be eligible for an Agency Rural Disaster Declaration if there is a qualifying damaged property NOT located in an urban area as defined by U.S. Census.

2020 Census determined Non-Rural Communities	State	2020 Census determined Non-Rural Communities	State
District of Columbia	DC	Falls Church City	VA
Baltimore City	MD	Fredericksburg	VA
St. Louis	MO	Manassas Park	VA
Hudson County	NJ	Norfolk City	VA
Union County	NJ	Portsmouth City	VA
New York County	NY	Salem City	VA
Philadelphia County	PA	Winchester City	VA
Arlington County	VA	Bayamón Municipio	PR
Alexandria County	VA	Guaynabo Municipio	PR
Fairfax City	VA	Naranjito Municipio	PR

When will the Agency Rural Disaster declaration be available?

This new disaster declaration type goes into effect on **June 5, 2023**; however, any major PA declarations declared after **December 20, 2022**, can be considered on a case-by-case basis.



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How can my county/tribe apply for an Agency Rural Disaster Declaration?

Eligible counties with major disaster declarations for Public Assistance (PA) that were declared on or after December 20, 2022, and do not have a pending request with FEMA for Individual Assistance are eligible. Rural Agency Disaster declaration requests for counties with PA declarations between December 20, 2022, and June 5, 2023, should be submitted by August 4, 2023.

For eligible counties with PA declarations occurring on or after June 5, 2023, Rural Agency Disaster declaration requests should be submitted to SBA within 60 days of PA declaration. Requests for Rural Agency Disaster declarations more than 60 days after a PA declaration will be reviewed on a case-by-case basis.

Contact the FOC that services your area with any questions.

What is the difference between an Agency Declaration and an Agency Rural Declaration?

An SBA Agency Declaration requires 25 damaged properties to be identified at the “significant” amount. Additionally, an Agency Declaration provides assistance that extends to contiguous counties. In a Rural Declaration, only 1 damaged property must be identified at the “significant” amount. In an Agency Rural Declaration, contiguous counties are NOT eligible.

How many homes, businesses or private non-profits must be impacted to qualify per declared county?

At least one home, small business, private non-profit, or small agricultural cooperative must have suffered significant damage. Significant damage means uninsured losses of at least 40 percent uninsured losses of the fair replacement value or pre-disaster fair market value of the damaged property, whichever is less.

Is an Agency Rural Disaster Declaration available when FEMA declares an Individual Assistance (IA) declaration?

No, but the SBA disaster loan program is automatically activated for the declared county in an IA declaration. Per the RCA (Public Law 117-249), if IA has been received, an Agency Rural Disaster declaration is no longer authorized.



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What type of assistance is available with an Agency Rural Disaster Declaration?

This type of disaster declaration is similar to an SBA Agency Declaration where physical and EIDL loans are made available to eligible individuals, businesses, as well as nonprofit organizations. Unlike in Agency Declarations, disaster survivors in contiguous counties **are not eligible** to apply for assistance under an Agency Rural Disaster declaration.

Are Agency Rural Disaster Declaration deadline dates the same as Agency declaration dates?

Agency Rural Disaster declaration physical and EIDL deadline dates are the same as agency declaration deadline dates: 60 days to apply for physical damage and 9 months to apply for economic injury.

My state suffered damages from river flooding on May 24th – May 28th, 2023, before the June 5, 2023 launch date. The public damages are sufficient for a FEMA Public Assistance declaration. The President issues a declaration for PA and Hazard Mitigation (HM) on June 10th, 2023. Is this eligible for a “rural declaration?”

Yes, your state would be eligible for an Agency Rural Disaster declaration, provided there are no plans to request an IA declaration. Specifically, any major PA declaration after December 20, 2022, when the law was passed may be eligible. For counties impacted since December 20, 2022 through June 5, 2023, the deadline to request an Agency Rural Disaster declaration will be 60 days from June 5, 2023.

Two counties suffer similar damages from the same flood at different ends of my state. Will each county be a separate rural declaration, or will the State receive one declaration under the RCA?

This will be one Agency Rural Disaster declaration which could have multiple counties declared.

FEMA grants a Public Assistance declaration to County A on June 10, 2023, but doesn't add County B until June 16, 2023. Will they be added to the initial Agency Rural Disaster declaration or will there now be a separate declaration?

SBA can add the additional county(ies) to the current Agency Rural Disaster declaration as an amendment to the current declaration. Please note that the Governor or Tribal Chief Executive will have to request the additional county and we will have to validate at least one property was damaged in a rural area in the county to add it.



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My state received a Fire Management Assistance Grant in one county for a Fire. In addition to firefighting costs, some high-tension power lines were affected as well as losing a gas station and 5 homes. Is this eligible for a “rural declaration?”

No, a rural declaration is not possible unless a Major Disaster declaration (PA) is declared.

My state received Public Assistance “Snow Removal” declarations almost every winter. Usually, businesses and properties are damaged as part of those storms, but never to the level to ask for SBA or FEMA IA. Will assistance now be possible under the Rural Act?

Yes, if the “snow removal” declaration is considered a Major Disaster declaration (PA) and no IA has been approved or requested, the declaration would be eligible provided damage to a property is in a “Rural Area”.

If my state has an urban area surrounded by rural areas, and the county is granted the Rural Agency Disaster declaration, does the urban area then become eligible under the Rural Agency Disaster declaration?

Once a Rural Agency Disaster declaration is made for a county, all businesses, homeowners, non-profit, and agricultural cooperatives may be eligible to receive disaster loan assistance.

What is the timeline after the PA declaration is approved or incident period can my state request this declaration?

The disaster declaration request should be delivered to the Disaster Assistance Field Operations Center serving the jurisdiction within 60 days of the PA declaration.

Can my state ask for SBA Preliminary Damage Assessment (PDA) while my state requests a FEMA PA PDA and will FEMA and SBA conduct joint PDAs for the PA request?

SBA communicates regularly with FEMA. FEMA will provide PDAs based on their policies and procedures. SBA will do a PDA upon request from the state or tribal government.

Will SBA establish disaster assistance centers for these types of declarations?

SBA will review activity levels to determine the need for a disaster assistance center(s).



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Can I request a combination of Agency Rural Disaster declaration along with the regular SBA Agency declaration for the same incident if I have approved PA declaration for all counties requested?

SBA will prioritize Agency Disaster declarations due to the contiguous county activity and eligibility. There may be a scenario where an Agency Rural Disaster declaration will be requested if surrounding counties do not meet necessary criteria.

Are Agricultural Enterprises eligible for loans under Agency Rural Disaster declarations?

No, Agricultural Enterprises are not eligible for SBA disaster loan assistance.

If a tribe is eligible, are the counties that the tribal lands are in also eligible?

Yes, SBA's disaster declaration covers the entire tribal land.

Who do I contact if I have additional questions?

Contact your point of contact at the Field Operating Center serving your territory.

Field Operations Center East: FOCEFieldOpsSupport@sba.gov

Field Operations Center West: FOCWFieldOpsSupport@sba.gov