



# FEMA

# SRIA Fact Sheet

## COMMUNITY DISASTER LOANS (CDL)

On January 29, 2013, President Barack Obama signed into law the Sandy Recovery Improvement Act (SRIA) of 2013. In many ways, the passage of SRIA represents the most significant legislative change to the Federal Emergency Management Agency's (FEMA) substantive authorities since the enactment of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

The Disaster Relief Appropriations Act, 2013 (P.L. 113-2), which included SRIA, provided \$300 million (\$285 million after sequestration) to the Disaster Assistance Direct Loan Program account that can be used for Community Disaster Loans (CDLs).

The purpose of a CDL is to provide funds to any eligible jurisdiction in a designated disaster area that has suffered a substantial loss of tax and other revenue. The jurisdiction must demonstrate a need for financial assistance to perform its governmental functions. Any local government or other eligible jurisdiction in a designated disaster area that has demonstrated a substantial tax loss and a need for financial assistance to perform its governmental functions may apply for a CDL. The funds must be used to maintain existing government services, or to expand those services to meet disaster-related needs. In most cases, CDLs are not to exceed 25 percent of the local government's annual operating budget for the fiscal year in which the major disaster occurs, up to a maximum of \$5 million. However, a CDL may total up to 50% of the local government's annual operating budget if the local government experiences a loss of tax and other revenue that is at least 75% of its annual budget for the fiscal year of the major disaster. The \$5 million cap would remain unchanged.

Currently, New Jersey loans are being processed and other states have the opportunity to review their needs and apply. For the latest information on CDL processing, please refer to <http://www.fema.gov/community-disaster-loan-program>.

*STATUS: Loans are being processed as requested.*

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