

### **What is disaster financial assistance (DFA)?**

The Disaster Financial Assistance program helps people and communities get back on their feet after a disaster. The program aids with eligible damage and losses that threaten the health and safety of individuals and communities. Assistance is only available after all other forms of disaster aid have been received, including insurance. Because we all have a duty to safeguard ourselves and our property from damage, property owners are expected to obtain insurance. ***Disaster financial assistance helps with uninsurable costs only.***

### **Why is disaster financial assistance changing?**

Every level of government is struggling to cope with the financial implications of more frequent and larger-scale events. The changes to the DFA program will, in part, address multiple claims from an individual for the same kind of disaster.

In New Brunswick and across Canada, the frequency and severity of rain events, spring freshets, ice-jam flooding, freezing rain events, severe winds, tropical and post-tropical storms, and sea-level rise (especially for N.B.) are causing increased flooding, erosion, power interruptions, damage to infrastructure and property, and pressures on emergency response.

Overland flooding is the most significant and likely disaster threat facing New Brunswickers. Risks are best addressed by being informed. This allows people to make good choices about reducing the risks to their homes, business, and lives. Planning at the community and regional level is helping to identify climate related risks and adaptation actions that can be taken prior to an event, reducing the scope of emergency response and impact.

### **How is the DFA program changing?**

Three changes are being made to help people leave flood-prone areas and encourage property owners to manage their own risks.

- Raising the limit for structural damage
- Setting a cap on the amount of assistance that will be paid for structural damages for that property for the same kind of disaster
- Lowering the threshold for buyouts for those affected by floods

**How does the cap work?**

The cap has been raised to \$200,000 for private homes for claims related to the same kind of disaster type (e.g., flooding, coast storm surge, etc.). Every property in New Brunswick is assigned a Parcel Identification Number (PID). If a property is damaged three times by overland flooding, for example, and the property owner makes claims of \$60,000, \$60,000, and \$80,000, the property owner can no longer make a claim related to overland flooding.

Once the \$200,000 limit has been reached, a notice will be placed on the Land Registry stating the property is not longer eligible for Disaster Financial Assistance Funding for inland or coastal flooding from the Government of New Brunswick.

The limit is based on the approximate value of a modest, three-bedroom bungalow: \$200,000.

**Are there changes to how much assistance is provided for multiple claims for the same type of disaster?**

Yes. After the first claim, 80 per cent of subsequent claims will be paid for the same type of disaster. For example, a property sustains damage this spring and the property owner receives \$50,000 in assistance. The same property floods the next year, and the property owner submits another claim of \$50,000. The payment for the second flood would be \$40,000, 80 per cent of the assessor damage report.

**Will the next person who owns that property be able to make claims after \$200,000 has been claimed?**

No. The cap is linked to the property, not the owner.

**What happens if the \$200,000 cap has been reached on a PID for flooding, but there's a DFA program for another kind of disaster?**

The property owner would be able to make claims of up to \$200,000 for issues related to another kind of disaster that isn't flooding.

**Do I need to keep any documentation from each time I get DFA assistance?**

Yes, you must keep photos and receipts as proof that repairs were made from the last time you received DFA assistance.

**How is the buyout process changing?**

Previously, damage had to be 80 per cent of the fair market value the property for the homeowner to be offered a buyout. For example, a \$200,000 property had to have \$160,000 worth of damage. The threshold has changed to 50 per cent. It may be beneficial to both parties if the province purchased the property to avoid recurring costs and keep people out of harms way.

**My property has flooded before. If it floods again and the damage is less then 50 per cent of the fair market value, can I still get a buyout?**

You are eligible if you have a cumulative 80 per cent of the pre-flood fair market value of the home over multiple claims. This means a property owner who has reached the threshold is not be eligible for a retroactive buyout until another event occurred. However, DFA claims submitted before 2023 will be included in the assessment.

**Do these changes affect cottages and seasonal residences?**

No. The DFA program is for primary residential homes and does not cover secondary residences such as cottages and seasonal properties.

**Is there any assistance for funding to flood proof my home?**

Yes, 15% of your structural damage is available. More information can be found on our website under Mitigation

<http://www.gnb.ca/disasterfinancialassistance>