

**Hurricanes Katrina and Rita**  
**FEMA-1603/1607-DR-LA**  
**Information Sheet #020**

**INSURANCE REQUIREMENTS FOR TEMPORARY  
FACILITIES**

As a result of the substantial damage caused by Hurricanes Katrina and Rita, many eligible applicants required temporary facilities to continue the provision of essential services. The large investment in these temporary facilities prompted applicants to inquire about FEMA requirements for hazard insurance on these facilities. The following information is provided in order to clarify the guidance on temporary facility insurance.

- FEMA does **not** require applicants to purchase or maintain insurance on temporary facilities provided through mission assignments or grant assistance. While not required, prudent risk management practices generally encourage appropriate coverage for the hazard exposure at the facility location.
- If applicants choose to obtain insurance, the cost of the premiums is **not** eligible for reimbursement under the Public Assistance (PA) Program. Applicants choosing to insure temporary facilities may be able to offset a portion of the additional cost with a decrease in insurance premium costs for their permanent facilities while they are under repair (under a contractor's responsibility).
- If a temporary facility is damaged in a non federally-declared event, FEMA will **not** repair or replace it. The ongoing maintenance and repair of a temporary facility becomes the applicant's responsibility once it obtains the facility.
- If a temporary facility is damaged in a federally-declared event, the applicant may request assistance in repairing or replacing the temporary facility to its pre-disaster design.

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*Because this document is not exhaustive, either in topics or in detail, information should be verified with FEMA Public Assistance Program officials before becoming the basis for decision making.*