



Duplication of Benefits

The CARES Act provides that the Secretary shall ensure there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) and in accordance with section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254; 132 Stat. 3442), which amended section 312 of the Robert T. 2 Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155).

What is a Duplication of Benefits?

A duplication of benefits occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. As a HUD requirement, we need to prevent the duplication of benefits when providing financial assistance with CDBG-CV and ESG-CV funds. Grant funds may not be used to pay for a particular cost if another source of financial assistance is available to pay for that same cost.

There are many sources providing funding to organizations during this pandemic. In order to avoid the same uses as other CARES Act programs, we are requesting all organizations to provide the city with its full disclosure and confirm the use is CDBG-CV or ESG-CV eligible. Practically, CARES Act funds cannot be used to pay for eligible costs that have already been paid for, or will be paid for, by another Federal program, insurance, or other sources. If this occurs, the sub-recipient must repay its CDBG-CV or ESG-CV grant.

We are required to ensure sub-recipients, assisted individuals or families, businesses, and other entities that receive CDBG-CV or ESG-CV assistance have not previously received, or will not receive, duplicative assistance from another source before the CARES Act assistance is provided. This duplication of benefits analysis may be accomplished in various ways, including requiring these entities or beneficiaries to provide a self-certification indicating they have or have not - and will not - receive a duplicative benefit, and supply a completed budget form.

Thus, we must also require if a sub-recipient, individual or family, business, or other entity subsequently receives a duplicative benefit, it agrees to repay the city within a reasonable time frame as agreed upon between the sub-recipient and city staff.

When assistance is provided to entities for CDBG-CV or ESG-CV activities, including activities that are part of a larger project, you must complete a duplication of benefits analysis by developing an overall budget for COVID-19 preparation, prevention and response that demonstrates the funding need for the activity and the funding reasonably anticipated. This budget should include all Federal and non-Federal funding, including in-kind donations. The City can only provide CDBG-CV or ESG-CV assistance to pay for unmet needs/needs not met by other sources of assistance.

PREVENTION OF DUPLICATE BENEFITS

Funds awarded under the CARES Act are to prevent, prepare for, and respond to the COVID-19 crisis through partnerships with local agencies and assist with unmet needs in our community. In order to ensure that there are no duplication of services, you must agree to disclose any-and-all assistance your organization has - or will receive - in relation to the services included in your CDBG-CV or ESG-CV grant.

In order to prevent duplication of benefits, the uses of CARES Act CDBG-CV and ESG-CV funding will require your organization to certify the needs you are serving with this grant are 100% unmet. This means there has not been, nor will there be, any other funding received to cover the expenses you are including in your CDBG-CV or ESG-CV grant.

If you are a sub-recipient of CARES Act CDBG-CV or ESG-CV funding from the City of Lowell, and are subsequently receive a duplicate benefit, you will agree to pay the CDBG-CV or ESG-CV funds back to the City in the amount of such duplication.