

March 17, 2007

## **Supporting Statement for Paperwork Reduction Act Submissions**

**OMB Control Number: 1660 - 0003**

**Title: The National Flood Insurance Program Biennial Report**

**Form Number(s): FF-81-28, FF-81-29, FF-81-29A**

### **General Instructions**

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i)(iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When Item 17 or the OMB Form 83-I is checked "Yes", Section B of the Supporting Statement must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

### **Specific Instructions**

#### **A. Justification**

**1. Explain the circumstances that make the collection of information necessary (give details as to why this information is being collected). Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information. Provide a detailed description of the nature and source of the information to be collected.**

Under 44 CFR 59.22(b)(2), the Federal Emergency Management Agency (FEMA) requires that communities participating in the National Flood Insurance Program (NFIP) submit an annual or biennial report describing the progress made during the year in the implementation and enforcement of floodplain management regulations. Currently, FEMA has determined that this data will be collected on a biennial reporting cycle and the data collection is now referred to as the Biennial Report. As a supplement to the Biennial Report, FEMA has been mandated under Section 575 of the National Flood Insurance Reform Act of 1994 (NFIRA) to assess the need to revise and update all floodplain areas and flood risk zones identified, delineated, or established under section 1360 of the National Flood Insurance Act of 1968. Information can now be collected for both requirements on the Biennial Report. Copies of 44 CFR 59 and Section 575 are attached.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection. Provide a detailed description of: how the information will be shared, if applicable, and for what programmatic purpose.**

The NFIP Biennial Report enables FEMA to meet its regulatory requirement under 59.22(b)(2). It also enables FEMA to be more responsive to the on-going changes that occur in each participating community's flood hazard area. These changes include, but are not limited to, new corporate boundaries, changes in flood hazard areas, new floodplain management measures, and changes in rate of floodplain development. It is also used to evaluate the effectiveness of the community's floodplain management activities. The evaluation is accomplished by analyzing information provided by the community, such as the number of variances and floodplain permits granted by each community in relationship to other information contained in the Biennial Report, as well as other data available in FEMA's Community Information System (CIS). The Biennial Report also provides an opportunity for NFIP participating communities to request technical assistance in implementing a floodplain management program. FEMA regional offices use this information as a means to know which communities need support and guidance.

In addition, the NFIP Biennial Report is one of the tools used to assist FEMA in meeting its regulatory requirement under Section 575 of the National Flood Insurance Reform Act (NFIRA). A "yes" answer to Items A-D in Section I of the report will provide the basis for FEMA to follow-up by contacting the community for clarification and/or elaboration regarding changes and activities occurring in a community's flood hazard area. This information will be used in ranking and prioritizing one community's mapping needs against all other communities in the NFIP and for determining how the limited flood hazard mapping funds are allocated for map updates.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

Communities will have the option of responding on-line or completing the paper form and returning it by the U.S. Postal Service. The on-line responses will automatically download the data provided by the communities into a national data system that supports the NFIP, the Community Information System (CIS). Many of the approximately 20,500 participating communities in the NFIP are small and may not have available the computer technology needed to respond electronically, mechanically, or through other technological collection techniques. The Biennial Report will be mailed to each of the participating NFIP communities. The mailing list is developed from FEMA's CIS

database. The community address information from CIS is provided by the communities upon entering the NFIP, and periodically updated during community visits and contacts, and from previous Biennial Reports. NFIP communities who have completed a previous Biennial Report, and updated their community address and then returned the report to FEMA.

Of the 10,250 Biennial Report responses we anticipate receiving, 13 percent (approximately 1,333) are collected via an on-line submission through FEMA's Website, 18.6 percent (approximately 1,906) are submitted through dedicated facsimile machines, and 68.4 percent (approximately 7,011) are submitted via the U.S. Postal Service.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The NFIP Biennial Report provides the only process through which flood hazard mapping and floodplain management information is obtained from such a large number of communities nationwide. In cooperation with State partners, FEMA and State staff visit communities to provide technical assistance and monitor their performance as participants in the NFIP. During a community assistance visit, a community assistance report is completed for each community. This report is designed to identify findings during the community visit, collect more detailed information on the community's flood hazard area and verify information submitted by the community on the Biennial Report. Since only a small percentage of the NFIP participating communities are visited each year, the community assistance report does not constitute a duplication of information.

**5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize.**

The Biennial Report collection does not have a significant economic impact on small businesses or other small entities.

**6. Describe the consequence to Federal/FEMA program or policy activities if the collection of information is not conducted, or is conducted less frequently as well as any technical or legal obstacles to reducing burden.**

Collecting community flood hazard data on a biennial basis provides the program with sufficient data to assess program requirements. To alter the reporting time, the flood hazard data would become outdated, since the rate of floodplain development can change significantly within a year or two in certain communities. Since FEMA is dependent on the data to effectively allocate the workload of a small number of personnel in the FEMA Regional offices and State offices, the consequences could result in a misallocation of resources and a failure to provide assistance to those communities that have the greatest need. Additionally, biennial collection of the floodplain data also satisfies the statutory requirement stated at 44 CFR 59.22 and Section 575 of the NFIRA.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

**(a) Requiring respondents to report information to the agency more often than quarterly.**

There are no special circumstances that would cause an information collection requiring respondents to report information to FEMA more often than quarterly.

**(b) Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.**

There are no special circumstances that would cause an information collection requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

**(c) Requiring respondents to submit more than an original and two copies of any document.**

There are no special circumstances that would cause an information collection requiring respondents to submit more than an original and two copies of any document.

**(d) Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years.**

Under 44 CFR 59.22(a)(9)(iii) and 60.6(a)(6), FEMA requires that communities participating in the NFIP maintain records of development taking place in the flood hazard areas within the community. These records would include but not be limited to any floodplain development permits issued, any changes to the flood hazard areas, certificates of floodproofing, information on the elevation of the lowest floor of all new or substantially improved structures, any variance actions including justification for their issuance, and demographic changes within the flood-prone areas of communities. This information is necessary for the community to effectively administer its floodplain management regulations and also assists FEMA to evaluate the effectiveness of a community's floodplain management program including the accuracy of its flood hazard maps.

**(e) In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study.**

There are no special circumstances that would cause, in connection with a statistical survey, an information collection that is not designed to produce valid and reliable results that can be generalized to the universe of study.

**(f) Requiring the use of a statistical data classification that has not been reviewed and approved by OMB.**

There are no special circumstances that would cause an information collection requiring the use of a statistical data classification that has not been reviewed and approved by OMB.

**(g) That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use.**

There are no special circumstances that would cause an information collection that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use.

**(h) Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There are no special circumstances that would cause an information collection requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

**8. Federal Register Notice:**

**a. Provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

A 60-day Federal Register Notice was published for comments on April 11, 2007, volume 72, number 69, pages 18266-18267. There were no comments received.

**b. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of**

**instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

To determine if the Biennial Report should be modified, FEMA canvassed its ten Regional offices to solicit recommendations on changes, and the Regional offices' and State coordinators' overall view of the report. Most of those offices that did respond were supportive of the Biennial Report. The Regional offices did support the online reporting option. The overall view of the report is that:

- The Biennial Report is an effective tool in monitoring floodplain activities in the NFIP participating communities;
- The report encourages participating communities to evaluate how they are implementing the NFIP; and
- There is presently no other assumed routine way of obtaining floodplain management and flood hazard mapping needs data from all participating communities for program purposes.

Based upon requests for input, State officials from agencies involved with floodplain management generally share the same views as the FEMA regional staff about the value and use of the Biennial Report.

**c. Describe consultations with representatives of those from whom information is to be obtained or those who must compile records. Consultation should occur at least once every three years, even if the collection of information activities is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

A community participating in the NFIP is responsible for administering and implementing adequate local floodplain management regulations that conform to the minimum standard outlined at 44 CFR 60.3. In assisting participating communities to implement their program, FEMA conducts Community Assistance Visits (CAV) and Contacts (CAC). A CAV is an on-site visit to help a community to implement its floodplain management program. The community visit entails four elements: a tour of the floodplain, a meeting with local officials to discuss floodplain management issues including the accuracy of the community's flood hazard maps, an examination of the floodplain development permit and variance files, and a summary meeting to address information gathered. During a CAV the Regional or State staff will discuss the accuracy and feasibility of the Biennial Report form. The FEMA Regional or State NFIP specialist may choose to collect floodplain data and provide technical assistance through a telephone interview which is a CAC. Due to staff and resource shortages, only a small percentage of the over 20,500 NFIP participating communities are contacted through a CAV or CAC within a year.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

This collection does not provide any payment or gift to respondents, other than remuneration of contractors or grantees.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

This collection provides no assurance of confidentiality or the basis for the assurance in statute, regulation, or agency policy to the respondents.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

This collection contains no questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

- a. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desired. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**

The response frequency for the Biennial Report is limited to once every two years. There are three types of Biennial Report forms issued, based on the characteristics of the community's flood hazards. Three types of Biennial Report forms are described below. In determining the hour burden for reply, a 50 percent return rate is factored.

From the table below, approximately 2,965 communities will complete FF 81-28. These communities are required to answer four questions, report the number of building permits granted in flood hazard areas and to verify six data items. If community records on floodplain development are properly maintained by local officials, as required by NFIP regulations, it is estimated to take a maximum of 2.0 hours to complete this form.

Approximately 6,112 communities will complete FF 81-29. These communities are required to answer five questions, report the number of building permits and variances granted in flood hazard areas, and to verify six data items. If community records on floodplain development are properly maintained by local officials, as required by NFIP regulations, it is estimated to take a maximum of 3.0 hours to complete this form.

Approximately 1,173 communities will complete FF 81-29A. These communities are required to answer three questions and to verify three pieces of data. If records on floodplain development are properly maintained by local officials, as required by NFIP regulations, it is estimated to take approximately 12 minutes to complete this form.

The number of responses does in fact differ from the number of respondents. The number of respondents is based on the total number of Biennial Reports that are mailed; one for each NFIP community. The number of responses is the actual number of completed Biennial Reports that are sent back via facsimile, U.S. Postal System, and online submittals. A 50 percent return response rate is assumed. Therefore, 0.5 was used for the Frequency of Response in the table below.

<b>ANNUAL BURDEN HOURS</b>					
<b>Data Collection Activities / Instruments</b>	<b>Number of Respondents</b>	<b>Frequency of Responses</b>	<b>Hour Burden Per Response (hours)</b>	<b>Annual Responses</b>	<b>Total Annual Hour Burden (hours)</b>
	<b>(A)</b>	<b>(B)</b>	<b>(C)</b>	<b>(D = AxB)</b>	<b>(E = CxD)</b>
FF 81-28	5,930	0.5	2.0	2,965	5930
FF 81-29	12,224	0.5	3.0	6,112	18,336
FF 81-29A	2,346	0.5	0.2	1,173	235
<b>TOTAL</b>	<b>20,500</b>			<b>10,250</b>	<b>24,501</b>

**b. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**

**c. Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead this cost should be included in Item 14.**



ANNUAL COST TO RESPONDENTS					
Program	Annual Responses	Hour Burden (hours)	Median Hr. Rate (\$)	Average Cost per Respondent (\$)	Annualized Cost All Respondents (\$)
Biennial Report	(A)	(B)	(C)	(B x C)	(A x B x C)
FF 81-28	2,965	2.0	\$18.66	\$37.32	\$110,653
FF 81-29	6,112	3.0	\$18.66	\$55.98	\$342,149
FF 81-29A	1,173	0.2	\$18.66	\$3.73	\$4,378
<b>TOTAL</b>	10,250				\$457,180

The annualized cost for respondents' hour burden using appropriate wage rate categories cannot be precisely determined for communities participating in the NFIP due to the wide range of types of communities responding, the level of pay received by the individuals completing the response and the nature of the content of the response. In determining an overall average wage rate, \$18.66 per hour (United States Department of Labor, Bureau of Labor Statistics, 2007) has been used to calculate cost, assuming approximately 0.2 to 3.0 hours necessary to complete the report.

Mailing costs for most respondents is .39 cents to simply mail back the completed paper form. The estimated cost for these respondents is \$3,998 annually. This assumes mailing no additional information.

**13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. Do not include the cost of any hour burden shown in Items 12 and 14. The cost estimates should be split into two components:**

There are no start-up, capital, operational, or maintenance costs for this collection.

**14. Provide estimates of annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing and support staff), and any other expense that would have been incurred without this collection of information. You may also aggregate cost estimates for Items 12, 13, and 14 in a single table.**

ANNUALIZED COST TO THE FEDERAL GOVERNMENT	
Item	Cost (\$)
Contract Costs (Contractor Labor Costs only)	\$53,476
Staff Salaries (1 GS-13, Step 1 x 40 hours)	\$1,288
Facilities	
Computer Hardware and Software	

Equipment Maintenance	
Travel	
Printing	\$25,000
Postage	\$10,250
Other (Toll-free phone lines and fax machines)	\$3,000
<b>Total</b>	<b>\$93,016</b>

The contractor costs are estimated to be \$93,016. This cost includes contractor staff time for management, coordination, data entry, printing, postage, and leasing 1 facsimile machine and toll-free phone lines for the reporting period of this collection.

The postage cost for mailing 20,500 copies of the Biennial Report is estimated to be \$10,250 based on a postage cost of 0.50 cents per mailing.

The Government's labor cost for this collection is estimated to be \$1,288. This cost includes one GS-13, Step 1, government employee dedicating no more than 40 hours annually towards management and coordination.

**15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I. Changes in hour burden, i.e., program changes or adjustments made to annual reporting and recordkeeping hour and cost burden. A program change is the result of deliberate Federal government action. All new collections and any subsequent revisions of existing collections (e.g., the addition or deletion of questions) are recorded as program changes. An adjustment is a change that is not the result of a deliberate Federal government action. These changes that result from new estimates or actions not controllable by the Federal government are recorded as adjustments.**

There is an adjustment to the annual burden hours from what was reported previously. The current OMB inventory is 11,375 annual hours. Those hours were calculated based on an average burden hours instead of the maximum burden hours reported on the FEMA forms. The actual annual hours requested is 24,501, based on the maximum burden hours reported on the forms: FEMA form 81-28 (2.0 hours), 81-29 (3.0 hours), and 81-29A (0.2 hours).

A change in burden hour calculations also resulted in a change in cost burden. The new cost for this collection is \$457,180.

<b>Changes in Hour Burden</b>		
<b>Data Collection Activity/Instrument</b>	<b>Program Changes (hours)</b>	<b>Adjustments (hours)</b>
FF 81-28, 81-29, and 81-29A		13,126
Current OMB Inventory		11,375
<b>Total</b>		<b>24,501</b>
<b>Changes in Cost Burden</b>		
<b>Data Collection Activity/Instrument</b>	<b>Program Changes (\$)</b>	<b>Adjustments (\$)</b>

<b>Total</b>		\$457,180
--------------	--	-----------

During September of 2005, the nation was impacted by Hurricane Katrina. The Terms of Clearance for this collection required an evaluation of the impact, if any, to this forms collection. There have been no regulation or procedural changes to this collection, and consequently no changes in burden hours, annual responses, or number of respondents as a result of the impact of Hurricane Katrina.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

The results of this collection will not be formally published in a report; however, the results will be available to FEMA Offices and State NFIP Coordinators through the Biennial Report section of FEMA’s Community Information System.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain reasons that display would be inappropriate.**

A valid OMB control number, expiration date and burden disclosure notice will be displayed in all collection’s material.

**18. Explain each exception to the certification statement identified in Item 19 “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-I.**

This collection does not seek exception to the certification statement referenced above.

**B. Collections of Information Employing Statistical Methods.**

When Item 17 on the Form OMB 83-I is checked “Yes”, the following documentation should be included in the Supporting Statement to the extent it applies to the methods proposed:

There will be no statistical methodology involved in this collection.