Date: November 17, 2008

Supporting Statement for Paperwork Reduction Act Submissions

OMB Control Number: 1660-0008

Title: Post Construction Elevation Certificate/Floodproofing Certificate

Form Numbers: FEMA 81-31 and FEMA 81-65

A. Justification

1. Explain the circumstances that make the collection of information necessary. 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.

The National Flood Insurance Program (NFIP) regulations require the elevation or floodproofing of new or substantially improved structures in designated Special Flood Hazard Areas. As part of the agreement for making flood insurance available in a community, the NFIP requires the community to adopt a floodplain management ordinance that meets or exceeds the minimum requirements of the NFIP. These minimum requirements are intended to reduce future flood losses. One such requirement is that the community requires that buildings be elevated to above the base flood elevation, obtain the elevation of the lowest floor (including basement) of all new and substantially improved structures, and maintain a record of all such information. Non-residential buildings can also be flood-proofed to the base flood elevation. The building elevation information should be generated and retained as part of the community's permit records. The Elevation Certificate is one convenient way for a community to document building compliance. This form can be completed by engineers and architects, the property owner or by government officials. The Floodproofing Certificate may similarly be used to establish the flood-proofed design elevation in those instances when floodproofing of non-residential structures is a permitted. Engineers and architects complete the Floodproofing Certificate.

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 Elevation Certificate and Floodproofing Certificate are used in conjunction with the NFIP application for flood insurance (OMB collection number 1660-0006, National Flood Insurance Program Policy Forms) in order to properly rate Post-FIRM structures in Special Flood Hazard Areas (44 CFR 61.7,61.8). Post-FIRM are buildings are those buildings constructed after publication of the Flood Insurance Rate Map (FIRM). In addition, the Elevation Certificate is needed for Pre-FIRM structures being rated under Post-FIRM flood insurance rules. The standardized format of the Elevation Certificate (FEMA Forms 81-31) and Floodproofing Certificate for Non-Residential Structures (FEMA Forms 81-65) provide community officials with needed data in order to verify building elevation information and determine compliance with the community's floodplain management ordinance. The certificate is then used in conjunction with the flood insurance application so that the building can be properly rated for flood insurance. The elevation data is transmitted by the insurance agent, along with the appropriate NFIP policy forms, to the NFIP.

The information provided on the Elevation Certificate and Floodproofing Certificate assist in FEMA's ability to measure the effectiveness of its regulations in reducing or eliminating damages caused by flooding and the appropriateness of NFIP premium charges for insuring property against the flood hazard.

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.

The Elevation Certificate, http://www.fema.gov/business/nfip/elvinst.shtm and Floodproofing Certificate, http://www.fema.gov/library/viewRecord.do?id=1600 for Non-Residential Structures can be downloaded from the Internet as text files or PDF files. The surveyor or engineer completing these forms is required to provide his or her license information and to affix his or her seal in certifying the information on the form. The completed forms are either mailed in with the flood insurance application or are scanned and submitted as a scanned document if accompanying a flood application which is submitted electronically.

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 information submitted on the Elevation Certificate and the Floodproofing Certificate is unique for each building and not available elsewhere. If the property owner has access to a valid Elevation Certificate or Floodproofing Certificate that has been previously completed for his or her property, he or she may submit it; in this case a new one would not have to be obtained.

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 same information is required from small business as from individuals and any other applicants. No additional burden is placed on small businesses or other small entities. This information is collected on a property only once, and may then be passed on to subsequent owners, which minimizes the burden on small business or 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.

If the collection of information is not conducted, FEMA will not be able to measure the effectiveness of the regulations in eliminating or decreasing damage caused by flooding. Also, the appropriateness of its premium charges for insuring property against the flood hazard cannot be adequately assessed for each property resulting in possible over or under-charging for flood insurance policies. This information is collected on a property only once, and may then be passed on to subsequent owners. It may also be retained on file in the community

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.

(b) 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.

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

(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.

(f) 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.

(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.

This information collection is conducted in a manner consistent with the guidelines in 5CFR 1320.5(d) (2).

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 inviting public comments was published on September 17, 2008, Volume 73, Number 181, pp. 53884. No comments were received. Please see attached copy of the published notice included in this package.

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.

NFIP program personnel frequently discuss the certificate at meetings with involved users; e.g., insurance agents, company officials, surveyors, and others. The Mitigation Directorate works very closely with the surveyors, engineers, and architects during the development process.

In June 2008 an Elevation Certificate Workgroup was formed to review the form and make suggestions for its improvement. The changes to the Elevation Certificate in this submission are the direct result of the efforts of this workgroup.

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.

These forms are supplied to insurance agents, community officials, surveyors, engineers, architects and NFIP policyholders/applicants. Surveyors, engineers, and architects complete the Elevation Certificate. Engineers and architects complete the Floodproofing Certificate. Community officials are provided the building elevation information required to document and determine compliance with the community's floodplain

management ordinance. NFIP policyholder/applicants provide the appropriate certificate to insurance agents. The certificate is then used in conjunction with the flood insurance application so that the building can be properly rated for flood insurance. NFIP personnel frequently discuss the certificates at meetings with these involved users.

In June 2008 FEMA formed a workgroup to review and make recommendations for the improvement of the Elevation Certificate. This work group, composed of FEMA Mitigation Directorate staff and stakeholders from the private sector, included engineers, surveyors, community officials, floodplain managers, insurance company representatives, insurance producers, underwriters, and others.

The changes recommended and adopted by the workgroup are reflected in the revision of the Elevation Certificate, which is submitted for approval with this submission. The changes are primarily to the instructions to make them clearer. These changes do not change the paperwork burden associated with the form as there is no significant change to the information required to be collected on the form.

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

FEMA does not provide payments or gifts to respondents in exchange for a benefit sought.

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

There are no assurances of confidentiality provided to the respondents for this information collection.

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.

There are no questions of a sensitive nature requested from respondents.

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 for each collection instrument (separately list each instrument and describe information as requested). 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.

Based on the numbers of new elevation-rated policies for buildings in designate flood hazard areas issued by the NFIP for the past 12 months, FEMA estimates a total of 2,190 respondents submitting FEMA Form 81-31 (Elevation Certificate) times 3.75 hours per response equaling 8,212.5 hours burden.

Based on the numbers of new elevation-rated policies for buildings in designate flood hazard areas issued by the NFIP for the past 12 months and on available data keyed into the flood insurance policy information system that indicates rating based on floodproofing, FEMA estimates a total of 10 respondents submitting FEMA Form 81-65 (Floodproofing Certificate) at 3.25 hours per response equaling 32.5 hours burden.

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 an estimate of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost to the respondents of contracting out or paying outside parties for information collection activities should not be included here. Instead this cost should be included in Item 13.

Table A.12: Estimated Annualized Burden Hours and Costs

Type of Respondent	Form Name / Form Number	No. of Respondents	No. of Responses per Respondent	Avg. Burden per Response (in hours)	Total Annual Burden (in hours)	Avg. Hourly Wage Rate	Total Annual Respondent Cost
Individuals or Households	Elevation Certificate FEMA 81-31 and Instructions (including Web-based training module)	2,190	1	3.75 hours	8,212.5	$19.56	$160,636.50
Business or other for profit (surveyors)	Floodproofing Certificate FEMA 81-65	10	One per structure	3.25 hours	32.5	$33.11	$1,076.08
Total		**2,200**			**8,246**		**$161,712.58**

According to the U.S. Department of Labor, Bureau of Labor Statistics website (www.bls.gov) the wage rate category for all Individuals or Households is estimated to be $19.56 per hour; therefore, the estimated burden hour cost to respondent surveyors is estimated to be $160,636.50 annually.

According to the U.S. Department of Labor, Bureau of Labor Statistics website (www.bls.gov) the wage rate category for engineers is estimated to be $33.11 per hour, therefore, the estimated burden hour cost to engineers is estimated to $1.076.08 annually.

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:

a. Operation and Maintenance and purchase of services component. These estimates should take into account cost associated with generating, maintaining, and disclosing or providing information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred.

b. Capital and Start-up-Cost should include, among other items, preparations for collecting information such as purchasing computers and software, monitoring sampling, drilling and testing equipment, and record storage facilities.

Annual Cost Burden to Respondents or Record-keepers

Data Collection Activity/Instrument	***Annual Capital Start-Up Cost** (investments in overhead, equipment and other one-time expenditures)	***Annual Operations and Maintenance Cost** (such as recordkeeping, technical/professional services, ect.)	**Annual Non-Labor Cost** (expenditures on training, travel and other resources)	**Total Annual Cost to Respondents**
Elevation Certificate FEMA 81-31	0	$766,500	0	$766,500
Floodproofing Certificate FEMA 81-65	0	$3,500	0	$3,500
Total	0	$770,000	0	$770,000

The cost to the respondent (e.g., applicants for flood insurance for whose building the certificate is being completed) is estimated to be a fee of $350 charged to the applicant by the private sector professional completing the Elevation Certificate or Floodproofing Certificate.

The total estimated annual cost to respondents for FEMA Form 81-31 (Elevation Certificate) is estimated to be $766,500.

The total estimated annual cost to respondents is for FEMA Form 81-65 (Floodproofing Certificate) is estimated to be $3,500.

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.

Annual Cost to the Federal Government

Item	Cost ($)
Contract Costs **See Note 1 below**	$4,890
Staff Salaries **See Note 2 below**	10,800
Facilities **[cost of storage area for forms] See Note 3 below**	240
Computer Hardware and Software **[cost of equipment annual lifecycle]**	n/a
Equipment Maintenance **[cost of annual maintenance/service agreements for equipment]**	n/a
Travel	n/a
Printing **[number of data collection instruments annually] See Note 4 below**	2,750
Postage **[annual number of data collection instruments x postage] See Note 5 below**	1,400
Other **(Updating of web-based training module) See Note 6 below**	1,000
Total	**$21,080**

The total Annualized Cost to the Federal Government is estimated to be $21,080. The approximate cost is determined as follows:

Note 1: The total Contract Cost associated with this information collection is $4,890, which is equal to the $1,210 cost of the contractor Data Entry Clerks to process the forms plus the $3,680 cost of the contractor Underwriting Specialists to review the information on the forms, which are submitted in conjunction with applications for flood insurance . These costs were determined as follows:

Hourly wage of a contractor Underwriting Specialist: $20.00
Time an Underwriting Specialist spends reviewing an Elevation Certificate or Floodproofing Certificate (submitted in conjunction with an application for NFIP flood insurance): 5 minutes per form

Number of Elevation Certificates/Floodproofing Certificates reviewed in one hour by an Underwriting Specialist: 12
Total number of Elevation Certificates and Floodproofing Certificates processed annually: 2,200
Total hours spent annually by Underwriting Specialists reviewing Elevation Certificates and Floodproofing Certificates equals the total number of forms processed annually divided by the number of forms processed per hour, which is: 2,200 forms divided by 12 forms per hour, which equals 183.3 hours… rounded to 184 hours.
Total annual cost for contractor Underwriting Specialists to review Elevation Certificates and Non-Residential Floodproofing Certificates equals the hours spent by contractor Underwriting Specialists times the hourly wage of an Underwriting Specialist, which is 184 hours times the Underwriting Specialists wage of $20.00 per hour, which equals $3,680.

Hourly wage of a contractor Data Entry Clerk: $11.00
Time a Data Entry Clerk spends processing an Elevation Certificate or Floodproofing Certificate (submitted in conjunction with an application for NFIP flood insurance): 3 minutes per form
Number of Elevation Certificates/Floodproofing Certificates processed in one hour by a Data Entry Clerk: 20
Total number of Elevation Certificates and Floodproofing Certificates processed annually: 2,200
Total hours spent annually by contractor Data Entry Clerks processing Elevation Certificates and Floodproofing Certificates equals the total number of forms processed annually divided by the number of forms processed per hour, which is: 2,200 forms divided by 20 forms per hour, which equals 110 hours.
Total annual cost for contractor Data Entry Clerks to process Elevation Certificates and Non-Residential Floodproofing Certificates equals the hours spent by contractor Data Entry Clerks times the hourly wage of a Data Entry Clerk, which is 110 hours times the Data Entry Clerks wage of $11.00 per hour, which equals $1,210.

Note 2: Federal Employees are estimated to spend a total of 200 hours annually in reviewing Elevation Certificates and Non-Residential Floodproofing Certificates, for an annual approximate cost of $10,800 is Staff Salary. The approximate cost is determined as follows:

The number and grades and annual cost of each of these Federal Employees reviewing the forms are estimated as follows:

• Two GS-12s, paid $79,068 annually, each spending about 34 hours a year or 1.9% percent of their time annually reviewing certificates, results in an approximate cost of $3,005 per year
• Two GS-13s, paid $94,025 annually, each spending about 34 hours a year or 1.9% percent of their time annually reviewing certificates, results in an approximate cost of $3,573 per year

• Two GS-14s, paid $111,104 annually, each spending about 34 hours a year or 1.9% percent of their time annually reviewing certificates, results in an approximate cost of $4,222 per year

The total of $3,005, $3,573, and $4222 is $10,800.

Note 3: The annual warehouse storage cost associated with the Elevation Certificate and Non-Residential Floodproofing Certificate is $240. This is based on a cost of $10 per month per form for twelve months, or $10 per month times 2 forms times 12 months.

Note 4: The annualized printing cost of the Elevation Certificate and Non-Residential Floodproofing Certificate forms is calculated to be $2,750, which is determined as follows:

The cost of printing the Elevation Certificate form for calendar year 2007 was $5,000. The cost of printing the Non-Residential Floodproofing from for calendar year 2007 was $500. The sum of these two is $5,500. These forms were not reprinted in 2008, because the supply on hand from the 2007 printing was considered sufficient to meet the demand for the forms through the 2008 calendar year. Therefore, averaging the printing cost of the forms over the two years results in an estimated annual printing cost of $2,750.

Note 5: The annualized mailing cost associated with the Elevation Certificate and Non-Residential Floodproofing Certificate is estimated to be approximately $1,400. This is based on a 2007 mailing cost for the Elevation Certificate of $1292 and a 2007 mailing cost for the Non-Residential Floodproofing Certificate of $84.

Note 6: The updating of the web-based training module is expected to be minimal. It is estimated that the annual cost for this will not exceed $1,000.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I in a narrative form. Present the itemized changes in hour burden and cost burden according to program changes or adjustments in Table 5. Denote a program increase as a positive number, and a program decrease as a negative number.

*A "**Program increase**" is an additional burden resulting from an federal government regulatory action or directive. (e.g., an increase in sample size or coverage, amount of information, reporting frequency, or expanded use of an existing form). This also includes previously in-use and unapproved information collections discovered during the ICB process, or during the fiscal year, which will be in use during the next fiscal year.*

*A "**Program decrease**", is a reduction in burden because of: (1) the discontinuation of an information collection; or (2) a change in an existing information collection by a Federal agency (e.g., the use of sampling (or smaller samples), a decrease in the amount of information requested (fewer questions), or a decrease in reporting frequency).*

*"**Adjustment**" denotes a change in burden hours due to factors over which the government has no control, such as population growth, or in factors which do not affect what information the government collects or changes in the methods used to estimate burden or correction of errors in burden estimates.*

Itemized Changes in Annual Burden Hours						
Data collection Activity/Instrument	**Program Change (hours currently on OMB Inventory)**	**Program Change (New)**	**Difference**	**Adjustment (hours currently on OMB Inventory)**	**Adjustment (New)**	**Difference**
Elevation Certificate FEMA 81-31 and Instructions including Web-based Training Module	0	0	0	181,125	8213	-172,912
Floodproofing Certificate FEMA 81-65	0	0	0	423	32	-391
Total(s)	**0**	**0**	**0**	**181,548**	**8,245**	**-173,303**

Explain (re: Item 13): The total number of responses has decreased from 48,430 to 2,200 (-46,230). The total number of responses for the Elevation Certificate has reduced from 48,300 to 2,190 (-46,110 responses). The number of responses for the use of the Elevation Certificate Web-based Training Module has decreased from 48,300 to 2,190 (-46,110). The number of responses for the Floodproofing Certificate has reduced from 130 to 10 (-120).

The annual burden hours for this collection decreased from 181,548 hours to 8,245, a reduction of 173,303 hours.

There have been no programs changes that account for these burden hour reductions. All reductions are adjustments due to fewer respondents submitting the forms and using the web-based training. In particular, there has been a significant decline in the number of flood insurance applications being submitted to the NFIP servicing agent. Since the Elevation Certificates and Flood proofing Certificates are submitted in conjunction with an application for flood insurance, fewer applications being submitted results in fewer Elevation Certificates and Floodproofing Certificates being submitted. This decline is the result of more and more property owners choosing to purchase their flood coverage from private sector insurance companies rather than directly from the NFIP.

Itemized Changes in Annual Cost Burden

Data collection Activity/Instrument	Program Change (cost currently on OMB Inventory)	Program Change (New)	Difference	Adjustment (cost currently on OMB Inventory)	Adjustment (New)	Difference
Elevation Certificate FEMA 81-31	$17,000.00	$214,503.30	+$197,503.30	0	0	0
Floodproofing Certificate FEMA 81-65	0	$1,076.08	+$1,076.08	0	0	0
Total(s)	**0**	**$215,579.38**	**+$198,579.38**	**0**	**0**	**0**

Explain: The changes made reflect that the costs that were not captured at the time of the last approval, less the amount that the February 13, 2006 Notice of Action indicated as a cost, and are now made a part of the submission for renewed approval.

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.

FEMA does not intend to employ the use of statistics or the publication thereof for this information collection.

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

FEMA will display the expiration date for OMB approval of this information collection.

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

FEMA does not request an exception to the certification of this information collection.

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 IS NO STATISTICAL METHODOLOGY INVOLVED IN THIS COLLECTION.