

March 20, 2012

Supporting Statement for Paperwork Reduction Act Submissions

OMB Control Number: 1660 - 0045

Title: Inspection of Insured Structures by Communities

Form Number(s): None

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. 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 Act of 1968 was enacted by title XIII of the Housing and Urban Development Act of 1968 (42 U.S.C. 4001) to provide previously unavailable flood insurance protection to property owners in flood-prone areas. 44 CFR Parts 59 and 61, National Flood Insurance Program (NFIP); Inspection of Insured Structures by Communities implements the inspection procedures in Monroe County, the City of Marathon, and the Village of Islamorada, Florida, and any other community that incorporates in Monroe County on or after January 1, 1999. The inspection procedure has two major purposes: 1) to help the communities of Monroe County, the City of Marathon, and the Village of Islamorada, and any other communities in Monroe County that incorporate after January 1, 1999, verify that structures in their communities (those built after the effective date of the Flood Insurance Rate Map (FIRM), referred to as post-FIRM, comply with the community’s floodplain management ordinance; and 2) to ensure

that property owners pay flood insurance premiums commensurate with their flood risk. The inspection procedure requires owners of insured buildings (policyholders) to obtain an inspection from community floodplain management officials and submit a community inspection report as a condition of renewing the Standard Flood Insurance Policy (SFIP) on buildings.

This inspection procedure requires that FEMA consult with local officials and others in Monroe County, Village of Islamorada, and the City of Marathon following any hurricane that may hit the Florida Keys concerning the impact the storm may have on illegal enclosures, providing guidance on repairing structures with illegal enclosures and briefing various officials on the inspection procedures.

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.

- **Community Official Inspection of Buildings** – Community officials inspect the property of policyholders for completion and submission of the inspection report, with the renewal premium payment. The community would inspect the building to determine whether it complies with the community’s floodplain management ordinance and document its findings in an inspection report.

The community inspection report is needed to effectively implement the inspection procedure. The community inspection report is used to document whether an insured building is in compliance with the community’s floodplain management ordinance. The inspection report helps FEMA in ensuring that property owners are paying flood insurance premiums that are commensurate with their flood risk. Communities must establish procedures and requirements for implementing the pilot inspection procedure consistent with requirements.

- **Inspection Acquisition/Renewal Process** – Policyholder contacts inspection official for scheduling, gathers and provides property data and related information that is required in order for the inspection to be performed so that a flood insurance policy can be renewed.

For the remaining buildings identified by Monroe County, City of Marathon, and the Village of Islamorada, as possible violations, the insurer of the flood insurance policy would continue to send a notice to policyholders approximately six months before the policy expiration date. This notice states that the policyholder must obtain an inspection from the community and submit the results of the property inspection as part of the renewal of the flood insurance policy by the end of the renewal period (30 days after date of the policy expiration).

The flood insurance renewal and flood insurance application (FEMA Form 086-0-1), have previously been approved by OMB (OMB No. 1660-0006, National Flood Insurance Policy Forms). The burden hours for the completion of these forms has been captured in collection OMB No. 1660-0006.

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 results of the inspections are entered into the Inspection Procedure Implementation database (URL <https://lookup.nfipstat.com/techserv/monroe/password.asp>) that is password protected and is only accessible by both local and FEMA officials. This allows for reduced cost in accessing the required information.

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.

No similar information is already available. The inspection process is the only means to collect this type of information. The inspection procedure was created to assist Monroe County, and incorporated communities, in obtaining inspections of potentially noncompliant lower level enclosures beneath elevated buildings as the County is unable to inspect the nature of the enclosure without a search warrant or approval of the owner. Without the inspection procedure, Monroe County would be unable to meet the requirements of the NFIP and would not be eligible for continued participation.

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.

There are no impacts on small business 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.

The community inspection report is critical to the effective implementation of the inspection procedure. Without the inspection procedure, the Village of Islamorada, City of Marathon, and Monroe County would continue to have limited ability to inspect properties for illegal enclosures that violate their floodplain management ordinance and as a result, all communities would be unable to undertake appropriate actions to remedy the violations. Some of the potential consequences of these structures that continue to be in violation of the community's floodplain management ordinance are:

1. Improperly constructed enclosure walls and utilities can tear away and damage the upper portions of the elevated building exposing the building to greater damage;
2. Improperly constructed enclosures can also result in flood forces being transferred to the elevated portion of the building with the potential for catastrophic damage.
3. Along with significant flood damages to the building and the potential for loss of life, the community, State, and the Federal government will be faced with costly outlays for flood fighting and rescue operations, response and recovery, as well as taxpayer funded disaster assistance.

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

The special circumstances contained in items 7(a) thru (h) are not applicable to this information collection.

(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.

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 December 20, 2011, 76 FR 78935. There were no comments received for this collection of information.

A 30-day Federal Register Notice inviting public comments was published on March 2, 2012, 77 FR 12864. There were no comments received for this collection of information.

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.

FEMA has consulted with Monroe County, City of Marathon, and the Village of Islamorada officials on the type of existing building inspection reports they currently use to implement their floodplain management ordinance and whether these existing documents could be used or adopted for purposes of implementing this inspection procedure. The methods used include telephone calls, e-mails, and during community meetings [(may include up to 2 meetings per year) The meetings are not held specifically to discuss their views; however, these items are discussed during meetings with the communities during other routine NFIP purposes].

The Monroe County Citizen’s Task Force, which was appointed by the Monroe County Board of County Commissioners to address the issue of illegal enclosures below the lowest floor of an elevated building, recommended establishment of a procedure to require an inspection and compliance report prior to the renewal of a flood insurance policy. Because of the large number of potentially illegal enclosures in the Village of Islamorada and the City of Marathon, the community indicated its interest in participating in the pilot inspection program.

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.

FEMA continues to coordinate with Monroe County, the City of Marathon, and the Village of Islamorada on efforts to fix any issues associated with the Inspection Procedure Implementation database, and consider any improvements the communities may have.

Most recently, FEMA consulted with Monroe County in relation to the potential impacts of Florida House Bill 407, passed in 2011, which prohibits local enforcing agencies and building code officials or entities from requiring certain inspections of buildings, structures, or real property as condition of issuance of certain residential building permits. Monroe County presented their planned approach to how they will continue to implement the inspection procedure when this act is effective in July 1, 2012.

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. Present the basis for the assurance in statute, regulation, or agency policy.

A Privacy Threshold Analysis (PTA) is currently in the FEMA Privacy office for review. Once the PTA has been reviewed, it will be submitted to the Department of Homeland Security (DHS) for approval.

11. Provide additional justification for any question 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.

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.

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. NOTE: The wage-rate category for each respondent must be multiplied by 1.4 and this total should be entered in the cell for “Avg. Hourly Wage Rate”. 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.

Estimated Annualized Burden Hours and Costs								
Type of Respondent	Form Name / Form Number	No. of Respondents	No. of Responses per Respondent	Total No. of Responses	Avg. Burden per Response (in hours)	Total Annual Burden (in hours)	Avg. Hourly Wage Rate	Total Annual Respondent Cost
Individuals/ Households (Policy Holders)	Inspection acquisition/No form	833	1	833	.25 hour	208	\$32.45	\$6,749
State/Local/Tribal Governments (Community Officials)	Inspections / No Forms	833	1	833	1 hour	833	\$40.50	\$33,736.50
Total						1,041		\$40,485.50

- Note: The “Avg. Hourly Wage Rate” for each respondent includes a 1.4 multiplier to reflect a fully-loaded wage rate.
- “Type of Respondent” should be entered exactly as chosen in Question 3 of the OMB Form 83-I

According to the U.S. Department of Labor, Bureau of Labor Statistics website (www.bls.gov) the wage rate category for all individuals is estimated to be \$32.45 per hour including the wage rate multiplier. Therefore, the estimated burden hour cost to respondents for all individuals is estimated to be \$6,749 annually.

According to the U.S. Department of Labor, Bureau of Labor Statistics website (www.bls.gov) the wage rate category for the all Local Government Examiner/Adjusters is estimated to be \$40.50 per hour including the wage rate multiplier. Therefore, the estimated burden hour cost to respondents all Local Government Examiner/Adjusters is estimated to be \$33,736.50 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. There are no start-up/Capital costs.

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
Inspections		\$168,266		\$168,266
Total		\$168,266		\$168,266

Communities generally charge a fee for permits and inspections as part of their administration of their zoning ordinance, building code, and floodplain management ordinance. It is estimated that it will cost each policyholders on average \$202 for inspections. This cost of an inspection for 833 annual respondents obtaining an inspection will equal = \$168,266.

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 [Describe]	
Staff Salaries* [3 of GS 13, step4 employees spending approximately 5% of time annually for this data collection (\$109 x 3 x \$44 per hr.)	\$14,388
Facilities [cost for renting, overhead, etc. for data collection activity]	
Computer Hardware and Software [cost of equipment annual lifecycle]	
Equipment Maintenance [cost of annual maintenance/service agreements for equipment]	
Travel (up to 2 annual coordination meetings with communities est. at \$1200 per trip, for a total of \$2,400 per annum)	\$2,400
Printing [number of data collection instruments annually]	
Postage [annual number of data collection instruments x postage]	
Other	
Total	\$16,788.

* Note: The "Salary Rate" includes a 1.4 multiplier to reflect a fully-loaded wage rate.

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

Explain:

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
Individuals and Households				\$168,266	0	0

***Explain:** Community Officials charge a permit fee for permits and inspections to Individuals and households, therefore; the Annual Cost Burden has been changed in ROCIS from cost to Community Officials to Individuals and Households.*

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.

There are no outline plans for tabulation and publication of data 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.

This collection does not seek approval to not display the expiration date for OMB approval.

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 use efficient statistical survey methodology or use of information technology.

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.