

July 15, 2016

Supporting Statement for Paperwork Reduction Act Submissions

OMB Control Number: 1660 - 0022

Title: Community Rating System (CRS) Program – Application Letter and CRS Quick Check, Community Annual Recertification and Environmental and Historic Preservation Certifications

Form Number(s): FEMA Form 086-0-35, 086-0-35A, 086-0-35B

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 Program (NFIP) promotes and implements sound local floodplain management. Communities must adopt minimum floodplain management standards in order to participate in the NFIP and receive the benefits of flood insurance. The Community Rating System (CRS), codified in The National Flood Insurance Reform Act (NFIRA) of 1994 (P.L. 103-325, Sec. 541.) was designed by the Federal

Emergency Management Agency (FEMA) to encourage communities to undertake activities that will mitigate flooding and flood damage beyond the minimum standards for NFIP participation. The Community Rating System (CRS) Program “CRS Coordinator’s Manual” is the key primary explanatory document used by CRS communities. It provides detailed explanations of the program and its activities. Respondents (communities) will select activities to apply for and receive credit and the Community Certifications document these activities so that proper credit is applied for each. Communities that receive these credits become eligible for flood insurance premium discounts.

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.

FEMA Form 086-0-35, Community Rating System Application Letter and Quick Check and Documentation - Communities submit a CRS Application Letter of Interest and supporting documentation with a Quick Check to apply for activity points leading up to a CRS rating and commensurate flood insurance premium discounts. The “CRS Coordinator’s Manual” describes the floodplain management and insurance activities available that can be undertaken to reduce flood losses. To complete the application process, communities are interviewed about their floodplain management activities and submit the completed Letter of Interest and supporting documentation for review to FEMA. Approval of the application results in credits that can be applied to flood insurance rates. The instructions explaining how to apply to CRS, including the CRS Quick Check form, can be found at <http://www.CRSresources.org/200>.

FEMA Form 086-0-35B, Environmental and Historic Preservation Certifications – These certifications are completed and signed by community officials in CRS participating communities. These are required to raise awareness and understanding about various laws and regulations related to environmental protection and historic preservation. The information is not shared. It is used to reinforce the importance of community compliance with environmental and historic preservation laws.

FEMA Form 086-0-35A, Community Rating System Community Annual Recertifications – Each year a community must certify that it is continuing to perform the activities that are being credited by the CRS. It does this by certifying a summary of its activities. The summary of activities is provided to the community by FEMA for review and certification by the community. Successful certifications allows for continued qualification for flood insurance credits.

The following instructional documents provide instruction to the respondent as to how to best answer the questions: [Elevation Certificate Checklist](#), [Outreach Projects for Credit under the Community Rating System](#), [CRS Credit for Planning Committees](#), [How to Use a Grid Overlay](#), [CRS Credit for Floodplain Management Planning](#), [Developing a Program for Public Information for CRS Credit](#), [Protecting Building Utilities from Flood Damage](#), [Non-conversion Agreement for Certain Structures in the Floodplain](#), [CRS Credit for Flood Warning and Response](#), [CRS Credit for Stormwater Management](#), [CRS Credit for Drainage System Maintenance](#), [CRS Credit for Higher Regulatory Standards](#), [Maps as Cornerstones of Flood Warning and Response](#), [Guidance on Dam Failure Inundation Mapping](#).

NOTE: The Non-conversion Agreement for Certain Structures in the Floodplain is only provided as a possible way for the community to make certain the property characteristics that are in place at the time of the CRS Application remain from that time forward.

FEMA Form 81-31, Elevation Certificate, is required for this collection and is approved separately under OMB Control Number 1660-0008, which expires 11/30/2018.

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 CRS Coordinator's Manual describes in detail the specific information gathered and allows for strict consistency in how the information is entered. This process saves time for the local official. The approach allows a verbal submission that is entered into a data base by a FEMA representative along with necessary supporting documentation. The website, instructions explaining how to apply to the CRS, and the Quick Check form can be found at <http://www.CRResources.org/200>.

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.

This information is not available through other sources and is not duplicated elsewhere. The detail required is specific to this program.

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.

This information collection does not have an 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.

If the community information were not provided through this application and verification process, FEMA would not be able to provide the flood insurance premium discount credits mandated by statute. Without these credits, communities would be adversely affected by higher flood insurance premiums.

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) through (h) below 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 July 14, 2016, 81 FR 45517. No comments were received. See attached copy of the published notice included in this package.

A 30-day Federal Register Notice inviting public comments was published on October 3, 2016, 81 FR 68023. No comments were received. See attached copy of the published notice included in this package.

Both notices were published as an extension.

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.

The Community Rating System Task Force is the inter-agency, multidisciplinary advisory body that has provided guidance to FEMA since the inception of the CRS. The CRS Task Force meets twice each year and a portion of every meeting is devoted to garnering the input of state and local officials about improvements to the data collection and other aspects of the program. The CRS Task Force specifically invites comments and routinely collects letters from CRS participants.

In addition, several other forums during the year allow for consultation with local government officials on the CRS application and field verification process. A national conference hosted by the Association of State Floodplain Managers occurs annually. Every year at that conference, a CRS Program Update workshop is held, which fosters an open discussion about the CRS with emphasis on suggestions for improvement. At the national conference there are abundant opportunities for informal discussions with local officials. Many state floodplain management associations conduct annual state-level forums in which CRS is highlighted, affording time for input.

The CRS hosts webinars throughout the year, facilitating exchange of information about the CRS and allowing for input to be collected from community representatives. For

example, during 2015 the CRS held 24 webinars on a variety of CRS-related topics, with a total of about 1,500 participants.

In addition, there are 39 CRS Users Groups active today, encompassing over 700 individuals from CRS-participating communities throughout the nation. These groups have formed voluntarily to share their experiences in implementing the CRS program in their communities and their views are routinely received and incorporated into the program.

An article in the February 2016 CRS Update Newsletter specifically notifies program participants that a revised edition of the guidance manual is in process, and invites their suggestions for changes, corrections, simplifications, and other input.

The ongoing improvements to the CRS and its data collection instruments are the product of an inclusive process designed to generate as much input from stakeholders as possible and integrate their suggestions.

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.

Continuous consultation with respondents is a part of CRS program. It includes reviews of feedback from communities through state workshops, professional forums, CRS Users Groups, and community contacts. CRS communities receive bi-monthly newsletters, e-mail, and phone contact for updated information on the program. Respondents are offered opportunities to provide feedback through the information provided in these outreach efforts. The CRS Task Force, a working group of individuals that provide input on CRS operations, includes representatives of three CRS participating communities. The views of these CRS community representatives is directly integrated with any changes to the CRS.

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) for this collection was submitted on February 1, 2016 approved on July 22, 2016. A PIA for this collection was determined to be needed and the collection is covered by DHS/FEMA/PIA-011 National Flood Insurance Program Information Technology System dated August 25, 2016.

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 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.

To facilitate the collection of information about a community's floodplain management program, FEMA uses representatives from Insurance Services Office as Field Specialists who work one-on-one with community officials. The Insurance Services Office (ISO) representative may visit communities in person at the community, speak with them over the phone and/or assist community representatives at other locations such as training venues and workshops. FEMA is continuing the greatly simplified CRS application process begun in 2013. Under this procedure, community officials complete an interview with FEMA representatives that allows the FEMA representative to gather information verbally and enter it into a data base, thereby minimizing the amount of time a community official must spend trying to understand requirements and fill out forms. The CRS Coordinator's Manual describes in detail the specific information gathered and allows for strict consistency in how the information is entered. This approach continues to allow a verbal submission that is entered into a data base by a FEMA representative along with necessary supporting documentation, thereby reducing

the amount of time a community official has to spend trying to understand requirements and fill out forms.

For **FEMA Form 086-0-35** Community Rating System Application Letter of Interest it is estimated that 330 community engineers will complete the form. Table 1 presents details of the hour burden per respondent (community) allocated to both the Application and Annual Recertification of the CRS process. For the Application Phase, each response will require an estimated 45 hours to complete. The total annual hour burden is $330 \times 45 = 14,850$ hours.

For **FEMA Form 086-0-35B**, Environmental and Historic Preservation Certifications, it is estimated 129 engineers will complete the worksheets and that it will require an average of 1.6 hours per respondent to complete when applying for the CRS. The total annual hour burden is $129 \times 1.6 = 206$ hours.

For **FEMA Form 086-0-35A**, Community Rating System Annual Recertification, it is estimated that 1120 engineers will complete the Annual Recertification and that it will require 24 hours per respondent once per year. The total annual hour burden is $1120 \times 24 = 26,880$ hours.

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 No.	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
State, local or Tribal Government	Community Rating System Application Letter, Quick Check & Documentation	330	1	330	45.00	14850.00	\$58.25	\$ 865,012.50
State, local or Tribal Government	Environmental and Historic Preservation Certifications	129	1	129	1.60	206.40	58.25	\$ 12,022.80
State, local or Tribal Government	Community Rating System Annual Recertification	1,120	1	1,120	24.00	26880.00	58.25	\$ 1,565,760.00
						0.00		\$ -
						0.00		\$ -
Total		1579		1579		41936.40		\$ 2,442,795.30

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 Local Government Civil Engineer is estimated to be (\$41.61 x 1.4) \$58.25 per hour including the wage rate multiplier, therefore, the estimated burden hour cost to respondents Local Government Civil Engineers is estimated to be \$ 2,442,795.30 annually.

The changes in Annual Cost Burden reflect the added costs associated with the increased Bureau of Labor and Statistic hourly labor rates and additional hours required due to program growth and expanded need for services.

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.)

There are no recordkeeping, capital, start-up or maintenance costs associated with this information collection.

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.**

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	
Annual Cost to the Federal Government	Cost (\$)
Contract Costs ISO Services contract – review of applications for completeness and make recommendation of appropriate action. Full 100% of contract cost is associated with this action.	\$5,300,000
Staff Salaries* [1 of GS 14 Step 9 employees spending approximately 10% of time annually verifying and approving CRS classes for this data collection (154,749 x 10% = 15,475) plus 10 GS 12 Step 9 employees spending approximately 10% of time annually providing informational resources to respondents and reviewing data for this data collection (\$110,125 x 10% x 10 = 110,125) \$15,475 + \$ 110,125 = \$ 125,600	\$125,600
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	
Total	\$ 5,425,600.00

* 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
FEMA Form 086-0-35, Community Rating System (CRS) Application Letter, Quick Check & Documentation				8,550	14,850	+6,300
FEMA Form 086-0-35B Environmental and Historic Preservation Certifications				24,240	26,880	+2640
FEMA Form 086-0-35A Community Rating System Community Certifications				118	206.4	+88.4
Total(s)				32,908	41,936.4	+9028.4

Explain:

For FEMA Forms 083-0-35, 083-0-35A, and 083-0-35B, there is an increase in the annual hour burden due to the growth in the number of communities joining the CRS.

For FEMA Form 083-0-35, the current annual hour burden is 8,550 hours, the new hours burden is 14,850 for an increase of 6,300 annual hour burden.

For FEMA Form 083-0-35A, the current annual hour burden is 24,240 hours, the new hours burden is 26,600 for an increase of 2,640 annual hour burden.

For FEMA Form 083-0-35B, the current annual hour burden is 118 hours, the new hours burden is 206.4 for an increase of 88.4 annual hour burden.

There has been no change in the information being collected.

Itemized Changes in Annual Cost Burden						
	Program Change (hours currently on OMB Inventory)	Program Change (New)	Difference	Adjustment (hours currently on OMB Inventory)	Adjustment (New)	Difference
FEMA Form 086-0-35 Community Rating System Application Letter, Quick Check & Documentation			\$ -	\$495,900	\$ 865,012.50	\$ 369,112.50
FEMA Form 086-0-35B Environmental and Historic Preservation Certifications			\$ -	\$6,844	\$ 12,022.80	\$ 5,178.80
FEMA Form 086-0-35A Community Rating System Community Certifications			\$ -	\$1,405,920	\$ 1,565,760.00	\$ 159,840.00
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
Total	\$ -	\$ -	\$ -	\$ 1,908,664.00	\$ 2,442,795.30	\$ 534,131.30

Explain:

The changes in Annual Cost Burden reflect the added costs associated with the increased Bureau of Labor and Statistic hourly labor rates.

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.

There is no statistical methodology involved in this collection.