

June 7, 2018

Supporting Statement for Paperwork Reduction Act Submissions

OMB Control Number: 1660 - 0008

Title: Elevation Certificate/Floodproofing Certificate

Form Number(s): FEMA Form 086-0-33 and FEMA Form 086-0-34

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, 42 U.S.C. § 4001 *et seq.* and the associated National Flood Insurance Program (NFIP) regulations at Title 44 of the Code of Federal Regulations require the elevation or floodproofing of new or substantially improved structures in designated Special Flood Hazard Areas. As part of the criteria for making flood insurance available in a community, the NFIP requires communities to adopt a floodplain management ordinance that meets or exceeds the minimum requirements of the NFIP. These minimum requirements are designated to prevent new development from increasing flood hazards and to reduce the flood risk to new and existing buildings intended to reduce future flood losses. One such requirement is that the community requires that new or substantially improved buildings be elevated to or above the base

flood elevation. The community must 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 floodproofed 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 surveyors, the property owner, or government officials. The Floodproofing Certificate may similarly be used to establish the floodproofed design elevation in those instances when floodproofing of non-residential structures is 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 structures 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 Form 086-0-33) and Floodproofing Certificate for Non-Residential Structures (FEMA Form 086-0-34) 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.

Documentation of certification by a registered professional engineer or architect that the design and methods of construction of a nonresidential building are in accordance with accepted practices for meeting the floodproofing requirements in the community's floodplain management ordinance is required to obtain rating credit for flood insurance. The engineer or architect makes a professional design determination that the building is floodproofed, for which they have professional liability. A prudent determination requires: a review of as-built design drawings that includes wall and floor sections, penetration of utilities into the building; a review of the protection of all openings (such as doors and egress); a review of soil conditions at the site; some calculation of loads and flow-rates of water through the soil; and a site visit to verify this information. Most

owners who get this certification will use the services of the original designer of the building who has familiarity with the design.

The information provided on the Elevation Certificate and Floodproofing Certificate assists 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 and Floodproofing Certificate for Non-Residential Structures can be downloaded from the Internet as text files or PDF files. The surveyor, engineer, or architect 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 Insurance Application that 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.

This information is not collected in any form, and therefore is not duplicated elsewhere.

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 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, FEMA cannot adequately assess the appropriateness of its premium charges for insuring individual properties against the flood hazard, 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.**

The special circumstances contained in item 7(a) thru (h) of the supporting statement are not applicable to this information collection.

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 March 9, 2018 at 83 FR 10510. FEMA received one comment that was supportive of the information collection.

A 30-day Federal Register Notice inviting public comments was published on published on June 29, 2018 at 83 FR 30760. No comments were 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.

NFIP personnel frequently discuss the certificates at meetings with involved users; e.g., insurance agents, company officials, floodplain managers, surveyors, and others. The Federal Insurance and Mitigation Administration (FIMA) works very closely with the surveyors, engineers, and architects during the development process.

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.

In June 2008, September 2011, November 2014, and November 2017 FEMA formed a workgroup to review and make recommendations for the improvement of the Elevation Certificate and the Floodproofing Certificate. This workgroup was composed of FEMA and Federal Insurance and Mitigation Administration staff that had invited and compiled comments on the Elevation Certificate and the Floodproofing Certificate from the private sector, including engineers, surveyors, community officials, floodplain managers, insurance company representatives, insurance producers, underwriters, and others.

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 new PTA is currently under review by FEMA's Privacy Office. This collection is covered by an existing Privacy Impact Assessment (PIA) DHS/ALL/PIA/006, approved by DHS on November 25, 2008. The existing System of Record Notices (SORN) are DHS/FEMA-003 published in the Federal Register on May 19, 2014 at 79 FR 28747 and DHS/FEMA/NFIP/LOMA-1 published in the Federal Register on February 15, 2006 at 71 FR 7990.

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.

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 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 Cost
Surveyors (contracted by the property owners)	Elevation Certificate FEMA 086-0-33 and Instructions	12,358	1	12,358	3.75	46342.50	\$44.56	\$ 2,065,021.80
Architects / Engineers (contracted by the property owners)	Flood-proofing Certificate FEMA 086-0-34	1	1	1	3.25	3.25	\$59.17	\$ 193.21
						0.00		\$
						0.00		\$
						0.00		\$
						0.00		\$
						0.00		\$
						0.00		\$

Note: The "Avg. Hourly Wage Rate" for each respondent includes a 1.46 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

Instruction for Wage-rate category multiplier: Take each non-loaded "Avg. Hourly Wage Rate" from the BLS website table and multiply that number by 1.46. For example, a non-loaded BLS table wage rate of \$42.51 would be multiplied by 1.46, and the entry for the "Avg. Hourly Wage Rate" would be \$62.06. Round to the nearest cent following standard rounding rules (0-4 round down and 5-9 round up).

According to the U.S. Department of Labor, Bureau of Labor Statistics website (BLS)¹ the wage rate category for surveyors is estimated to be \$44.56 (\$30.52 x 1.46²³) per hour including the wage rate multiplier, therefore, the estimated burden hour cost to surveyors is estimated to be \$2,065,021.80 annually.

¹ May 2016 National Occupational Employment and Wage Rates, National File (xls), Surveyors (OCC Code: 17-1022, Average, Column Title: H_Mean). Accessed and downloaded February 5, 2018. <https://www.bls.gov/oes/tables.htm>

² Bureau of Labor Statistics, Employer Costs for Employee Compensation, Table 1. Employer costs per hour worked for employee compensation and costs as a percent of total compensation: Civilian workers, by major occupational and industry group, March 17, 2017. Accessed and downloaded January 18, 2018. <https://www.bls.gov/news.release/eccec.t01.htm>

³ The per hour benefits multiplier is calculated by dividing total compensation for all workers (\$34.90, March 17, 2017) by wages and salaries for all workers (\$23.87, March 17, 2017), which yields a per hour benefits multiplier. For March 17, 2017, the multiplier is 1.46. ($\$34.90 \div \$23.87 = 1.4620863$). Fully-loaded wage rates are calculated by multiplying the per hour benefits multiplier by the applicable wage rate from the applicable National Occupational Employment and Wage Rates report. (1.46 per hour benefits multiplier x hourly wage rate = fully-loaded hourly wage)

According to the U.S. Department of Labor, Bureau of Labor Statistics website (BLS)⁴ the wage rate category for architects/engineers is estimated to be \$59.17 (\$40.53 x 1.46) per hour including the wage rate multiplier, therefore, the estimated burden hour cost to architects/engineers is estimated to be \$192.30 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.

⁴ May 2016 National Occupational Employment and Wage Rates, National File (xls), Surveyors (OCC Code: 17-0000, Average, Column Title: H_Mean). Accessed and downloaded February 5, 2018. <https://www.bls.gov/oes/tables.htm>

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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, etc.)	Annual Non-Labor Cost (expenditures on training, travel and other resources)	Total Annual Cost to Respondents
Elevation Certificate FEMA 086-0-33	0	\$4,325,300	0	\$ 4,325,300.00
Flood-proofing Certificate FEMA 086-0-34	0	\$350	0	\$ 350.00
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
Total	\$ -	\$ 4,325,650.00	\$ -	\$ 4,325,650.00

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

The annual cost to 12,358 respondents x an average cost of \$350 per FEMA form 086-0-33 (Elevation Certificate) is estimated to be \$4,325,300.

The annual cost to 1 respondent x an average cost of \$350 per FEMA form 086-0-34 (Floodproofing Certificate) is estimated to be \$350.

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.

* Note: The "Salary Rate" includes a 1.46 multiplier to reflect a fully-loaded wage rate.

The total Annualized Cost to the Federal Government is estimated to be \$68,061. We no longer incur facilities, printing, or postage costs, as the Elevation Certificate and the Floodproofing Certificate for Non-Residential Structures are no longer printed or stored. They are available on the FEMA website as fillable PDF forms. Staff salaries referenced in the table below are for the locality pay area of Washington-Baltimore-Arlington.

Annual Cost to the Federal Government	
Item	Cost (\$)
Contract Costs: Data Entry Clerks processing 12,359 forms at 20 forms/hr equals 618 hours x (\$15.75 x 1.46) \$23/hr = \$14,214 plus Underwriter Specialists reviewing 12,359 forms at 12 forms/hr = 1,030 hours x (\$25.50 x 1.46) \$37.23/hr = \$38,347. \$14,214 + \$38,347 = \$52,561	\$52,561
Staff Salaries*: Two GS-12, step 5 employees (\$43.44 x 1.46 = \$63.42 x 34 hrs = \$2,156 x 2 = \$4,312); Two GS-13, step 5 employees, and Two GS 14, step 5 employees spending approximately 1.6% of time annually reviewing certificates for the data collection (\$43.44 x 1.46 = \$63.42 x 34 hrs = \$2,156 x 2 = \$4,312) + (\$51.65 x 1.46 = \$75.41 x 34 = \$2,564 x 2 = \$5,128) = (\$61.04 x 1.46 = \$89.12 x 34 = \$3,030 x 2 = \$6,060.	\$15,500
Facilities [cost for renting, overhead, etc. for data collection activity]	0
Computer Hardware and Software [cost of equipment annual lifecycle]	0
Equipment Maintenance [cost of annual maintenance/service agreements for equipment]	0
Travel	0
Total	\$ 68,061.00

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.

Explain:

The burden hour per response for FEMA Form 086-0-33 and FEMA Form 086-0-34 has remained the same. However the burden hours for this collection increased from 34,950 to 46,345.75 hours, an adjustment increase of 11,395.75 hours.

This increase is due to an increase in the number of flood insurance applications being submitted to the NFIP Direct Servicing Agent, which are rated based on elevation data provided on the certificates. Since the Elevation Certificate and Floodproofing Certificate are submitted in conjunction with an application for flood insurance, more applications being submitted results in more Elevation Certificates and Floodproofing Certificates being submitted. The total number of responses for the Elevation Certificate has increased from 9,307 to 12,358 (+3,051 responses). The number of responses for the Floodproofing Certificate has decreased from 15 to 1 response.

Itemized Changes in Annual Cost Burden						
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 Form 086-0-34 and Instructions	\$ -		\$ -	\$3,257,450	\$4,325,300	\$1,067,850
Floodproofing Certificate FEMA Form 086-0-34	\$ -		\$ -	\$5,250	\$350	(\$4,900)
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -

Explain:

The change in the Annual Cost Burden is an adjustment increase due to an increase in the number of respondents for FEMA Form 086-0-33, from 9,307 to 12,358. (12,358 respondents x \$350 for professional surveyor = \$4,325,300) The number of respondents for FEMA Form 086-0-34 decreased from 15 respondents to 1. (1 respondent x \$350 for professional engineer/architect = \$350). (This decrease is possibly due to the more stringent floodproofing certification guidelines that became effective with the previous revision, which required that all elevations must be based on finished construction instead of drawings or designs, along with a comprehensive maintenance plan)

The adjustment due to the increase in the total number of forms submitted accounts for the total +\$1,062.950 change in Annual Cost Burden. The overall increase is due to an increase in the number of flood insurance applications being submitted to the NFIP Direct Servicing Agent, which are rated based on elevation data provided on the certificates. Since the Elevation Certificate and Floodproofing Certificate are submitted in conjunction with an application for flood insurance, more applications being submitted results in more Elevation Certificates and Floodproofing Certificates being submitted.

The total annual cost burden for this collection has increased from \$3,262,700 to \$4,325,650.

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 outlined 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 seek exception to “Certification for Paperwork Reduction Act Submissions.”