

Relationship Between Communities, the State, and FEMA

A. Overview

FEMA's National Flood Insurance Program (NFIP) was founded on the concept that managing floodplain development will reduce flood risk. FEMA reports evidence that supports this concept: a large majority of buildings constructed in compliance with the NFIP minimum standards tend to fare better during flood events.



Communities voluntarily enter into an agreement with FEMA to participate in the NFIP. Individuals and businesses can purchase flood insurance if the community agrees to adopt and enforce a local floodplain ordinance for the identified flood hazard zones that meets or exceeds NFIP minimum standards.

Additionally, FEMA contracts annually with the DNRC through a work plan to provide administrative and technical assistance to local governments. The work plan is designed using FEMA's Community Assistance Program (CAP) Guidance and includes:

- providing information on the NFIP;
- coordinating federal, state, and local flood-hazard mitigation efforts;
- developing adequate communication with local governments to achieve state and federal program goals;
- providing technical assistance to local officials;
- providing training and education to local officials;
- outreach activities;

- conducting Community Assistance Visits (CAV) and Community Assistant Contacts (CAC) for participating communities and communities interested in joining the NFIP program
- assisting with local community floodplain management ordinance updates
- coordinating with other programs and agencies



FEMA Regions

B. The Local Community and State Relationship

Montana's State Coordinating Office is located within the Montana DNRC, and is specifically charged with operating as a link between FEMA and Montana communities. The DNRC, through its Floodplain Management Section, is charged with implementing Montana's Floodplain and Floodway Management Act. Adhering to Montana's floodplain regulatory requirements can help to reduce flood insurance premiums for residential and commercial structures.

The National Flood Insurance Program and the State of Montana both specify minimum building standards. Some of Montana's rules are more restrictive. For example, the NFIP requires residential structures built in the flood fringe must have the lowest floor built at or above the base flood elevation (BFE). Montana law dictates that residential structures must be built with a two foot

(2)' freeboard, meaning the lowest living floor must be two feet (2)' above the BFE. Community ordinances can vary from State law, but must meet or exceed the DNRC's requirements.

It is important to understand the state requirements for floodplain regulation. The DNRC issues a model floodplain ordinance that incorporates the federal and state minimum building standards and permitting procedures. Local officials are encouraged to use the model as a reference in preparing their own local floodplain management ordinances. The DNRC also provides the training, education, and guidance where needed to empower local floodplain administrators to maintain compliance with local requirements that include federal and state standards for building requirements and permitting procedures. This approach has been instrumental since the inception of floodplain management in Montana, as evidenced by the following quote:

"The educational process is paramount to the implementation of a successful program of floodplain management and floodplain insurance. Only by adequately informing individuals at the local level can we expect to make any progress toward sensible, comprehensive floodplain management. Cooperation of all levels of government and interested citizens will undoubtedly assist in a much speedier implementation of a wise floodplain management program." -text from the minutes of the Montana Water Resources Board Floodplain Management Meeting, October 27, 1970, Sam W. Mitchell Building, Helena, MT

Contact the DNRC's NFIP Coordinator for more information. The NFIP Coordinator keeps abreast of program requirements and insurance ramifications, and provides clarification on specific regulatory interpretations.

Other ways this office can assist with floodplain management include:

- Provide input on improvements to administrative procedures for issuing permits, handling variances, inspecting construction, and enforcing violations.
- Review ordinance amendments to ensure NFIP and state compliance.
- Explain how to use flood hazard maps, including advising on pursuing map revisions.

- Assist communities with applications for inclusion in the NFIP Community Rating System (CRS).
- Conduct training workshops.
- Perform Community Assistance Visits (CAV's).
- Provide reports on community compliance to FEMA.

Community Assistance Visits (CAV). The State NFIP Coordinating Office is funded by FEMA to perform audits of local floodplain management programs to examine local floodplain permitting procedures and program administration. These audits are achieved through conducting periodic CAVs. CAVs fulfill several purposes. One of the most important is to identify and solve potential problems before they lead to non-compliant development or prompt FEMA to consider probation. CAVs also provide an excellent opportunity for additional floodplain training and outreach.

When a CAV is scheduled for a community, the Floodplain Administrator will receive a letter and a checklist outlining what information should be gathered in preparation before-hand:

- The floodplain management ordinance,
- Comments on the community's flood maps,
- Copies of floodplain permits,
- Copies of Elevation Certificates,
- Written administrative procedures,
- List of community violations,
- Encroachment analyses for floodway development, and
- Summary of other mitigation activities.

During the CAV meeting with community officials, the entire process is evaluated: reviewing permit applications, issuing permits, and inspecting floodplain development. The floodplain ordinance is reviewed to make sure it meets the minimum NFIP and state requirements. Floodplain permit files are reviewed with particular attention given to whether minimum standards are applied and if proper documentation is maintained. The meeting is followed by

a field review of the SFHA, where any new construction is inspected to determine if the ordinance was adhered to. A summary report of the CAV is prepared and provided to FEMA.

Communities are given a detailed report of the CAV results, including any instances of non-compliance noted during the field visit or otherwise. The State NFIP Coordinator is available to provide assistance in remedying violations and correcting problems with administrative processes. When non-compliance is cited, FEMA expects the community to identify and pursue remedies.

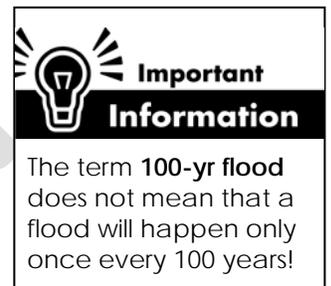
C. FEMA's Role

Flood Hazard Maps. FEMA prepares the flood hazard map information used by communities to manage special flood hazard areas (SFHA). The SFHA is the area that is expected to be inundated by the base flood. The base flood has a 1% chance of being equaled or exceeded in any given year. The common name for a flood of this frequency and magnitude is the “**100-year flood.**” Over the course of a typical 30-year mortgage, structures in the SFHA have a 26% chance of being flooded.

FEMA uses hydrologic and hydraulic modeling to determine the base flood elevations (BFEs). Topographic maps are used to delineate floodplain boundaries. Where ground elevations are lower than the BFE, the area is designated as SFHA. Flood insurance rates are based on the flood zone designation and the associated actuarial risk.

FEMA maintains the maps, with an overall goal of having available the most current flood hazard information.

Five-Year Map Review Program. Since the beginning of the NFIP, the federal government has prepared some form of flood hazard mapping for over 26,000 communities nation-wide. Section 575 of the 1994 National Flood Insurance Reform Act mandates that FEMA review the need to revise and update all floodplain areas and flood risk zones. Consequently in May of 1997, FEMA began to identify and prioritize those needs based on a variety of factors.



Through its Flood Hazard Mapping Program, FEMA identifies flood hazards, assesses flood risks, and partners with states and communities to provide accurate flood hazard and risk data to guide them to mitigation actions. Flood Hazard Mapping is an important part of the NFIP, as it is the basis of the NFIP regulations and flood insurance requirements. FEMA maintains and updates data through Flood Insurance Rate Maps (FIRMs) and risk assessments.

The FEMA Region VIII office utilizes the data to assess and rank mapping needs and to prioritize use of restudy funds. Due to limited funding, only the highest priority needs prompt new maps. Communities in Montana may report map needs to their Regional Engineer, State Floodplain Engineer, State NFIP Coordinator, or the Map Modernization Coordinator. The DNRC Floodplain Management Section occasionally conducts mapping needs surveys in order to provide input to FEMA in identifying overall state mapping priorities.

Insurance and Regulatory. The National Flood Insurance Program (NFIP) is a federal program that offers flood insurance, which can be purchased through property and casualty insurance agents. Rates are set and do not differ from company to company or agent to agent. These rates depend on many factors, which include the date and type of construction of a structure, along with the building's level of risk.

The Flood Disaster Protection Act of 1973 and the resulting reforms in 2004, 2012, and 2014 are intended as a regulatory means of protection of citizens from financial losses caused by flooding.

Flood insurance may be required by law. Flood insurance must be in place for property owners to receive federally secured financing to buy, construct, or improve a building in a Special Flood Hazard Area (SFHA), where more than 75% of all claims are paid. Lending institutions that are federally regulated or insured must determine if the building is in an SFHA. If so, the lender must require flood insurance. Additionally, lenders can require flood insurance for structures not determined to be in a SFHA. Ultimately, it is the lender's discretion.