

Section 6

Processing Procedures for the Conversion/Compliance Process and Correspondence for Newly Eligible Communities

This section outlines the standard procedures for tracking communities through the conversion/compliance process and preparing documentation for communities' entry into the Emergency and Regular Phases of the National Flood Insurance Program (NFIP). Descriptions and copies of the letters and FEDERAL REGISTER notices cited in this section are provided in Appendix E of this Manual.

6.1 Conversion/Compliance Process

The conversion/compliance process occurs after the Department of Homeland Security's Federal Emergency Management Agency (FEMA) completes the initial Flood Insurance Rate Map (FIRM) or Digital Flood Insurance Rate Map (DFIRM) for a community. Prior to the FIRM/DFIRM effective date, affected communities are given 6 months to enact floodplain management measures that are compliant with specified NFIP regulations. For those communities that have not provided proof of their adoption of compliant ordinances to the appropriate FEMA Regional Office and State NFIP Coordinator, FEMA sends the communities reminder letters (referred to as 90- and 30-day suspension letters) during the compliance period, the end of which coincides with the FIRM effective date. Communities that do not adopt ordinances that are compliant with the NFIP regulations by the FIRM effective date are suspended from participation in the NFIP. However, when these suspended communities submit compliant ordinances, they are immediately reinstated into the NFIP.

As mentioned in Sections 1 and 2 of this Manual, the National Service Provider (NSP) maintains a schedule and tracks communities for each scheduled conversion date and processes 90-day suspension (S-90) and 30-day suspension (S-30) letters as required. (See Subsection 1.14 of this Manual for more information on suspension letter processing.) In addition, the NSP tracks the communities through the 6-month conversion/compliance process and performs the tasks below.

1. The NSP develops a consolidated list, in order by FEMA Region, of all communities in the conversion/compliance process. The list includes the following:
 - Land use code;
 - Date of entry into Emergency Phase of NFIP and/or date of entry into Regular Phase of NFIP; and
 - FIRM/DFIRM effective/suspension date.

2. Within 14 days of the date the Letter of Final Determination (LFD) is issued by FEMA (see Subsection 1.11 of this Manual for details on the LFD), the NSP forwards a copy of the consolidated list to the staff of the Floodplain Management Section (FMS) of the Risk Reduction Branch at FEMA Headquarters.
3. The NSP researches the FEMA Community Information System database for the required data for processing the Final Rule entitled "Suspension of Community Eligibility" (SUSPEND, Appendix E, page E-31), and publishing the Final Rule in the FEDERAL REGISTER. The required data for processing the Final Rule includes the following:
 - Emergency/Regular Phase entry dates;
 - Community identification number;
 - Past suspension and reinstatement dates; and
 - Current FIRM/DFIRM date.
4. The NSP prepares the Final Rule for publication monthly in the FEDERAL REGISTER. The Final Rule lists all noncompliant communities that received S-30 letters. To minimize costs, communities affected by two suspension dates in any given month are published in one Final Rule.
5. The NSP submits the Final Rule (an original hard copy and an electronic version on diskette) to the FMS staff for review 2 weeks before the effective suspension date. The FMS staff then forwards the Final Rule for signature.
6. After the suspension date, the NSP prepares the Final Rule entitled "List of Eligible Communities" (ELIGIBLE, Appendix E, page E-21), withdrawing the suspension for all compliant communities for publication in the FEDERAL REGISTER. In addition to withdrawing suspension, this Final Rule lists the communities that were reinstated in the NFIP. The NSP prepares the Final Rule quarterly using the Biweekly Activity Report provided by the FMS staff.
7. The NSP submits the Final Rule (an original hard copy and an electronic version on diskette) to the FMS staff for review **within 5 working days** of receipt of the second biweekly report at the end of the quarter. The FMS staff then forwards the Final Rule for signature.

6.2 Correspondence for Newly Eligible Communities

As communities submit the necessary paperwork to become eligible for participation in the NFIP, appropriate correspondence must be prepared, at the request of the FMS staff, for the newly eligible communities. The procedures to be followed are summarized below.

1. The FMS staff notifies the NSP that a letter is required.
2. The NSP prepares the appropriate eligibility letter and sample news release based on the status of the community in the NFIP as follows:
 - If the community is entering the Emergency Phase of the NFIP, the NSP prepares a 405 letter (Appendix E, page E-3) and an Emergency Phase news release (EPNEWS, Appendix E, page E-27).
 - If the community is entering the Regular Phase of the NFIP, the NSP prepares a 406 letter (Appendix E, page E-5) if regular conversion procedures are used to convert the community.
 - If the community is entering the Regular Phase of the NFIP and FEMA uses special conversion procedures to convert the community, the NSP prepares one of the letters listed below. (See Section 4 for more information on special conversion procedures.)
 - a. 406-D letter (Appendix E, page E-9), for a minimally floodprone community converted as all Zone D;
 - b. 406-M letter (Appendix E, page E-13), for a minimally floodprone community with Special Flood Hazard Areas (SFHAs) identified; or
 - c. 406-NON letter (Appendix E, page E-17), for a community in which no SFHAs are identified, also known as an “NSFHA” or a “non-floodprone” community.
3. The NSP also prepares a Regular Phase news release (RPNEWS, Appendix E, page E-29).
4. The NSP submits the required letter and news release to the FMS for concurrence and signature within 3 working days.
5. The FMS staff returns the signed letter and news release to the NSP for distribution.
6. The NSP mails the signed letter and the following enclosures to the community Chief Executive Officer (CEO) and floodplain administrator and distributes external and in-house file copies in accordance with Subsection 6.3 of this Manual:
 - News release;
 - Notice regarding 30-day waiting period; and
 - *Answers to Questions About the National Flood Insurance Program*, if appropriate.

6.3 Distribution Requirements

Sample copies of the standard documents prepared by NSP and FMS staff for the conversion/compliance process and for notifications to newly eligible communities are provided in Appendix E. The distribution requirements for these documents are shown in Table 6-1.

Table 6-1. Distribution Requirements for Documents Used for Standard Conversion/Compliance Process and for Newly Eligible Communities

Document	Community CEO and Floodplain Administrator	Regional Flood Insurance and Mitigation Division Director	State NFIP Coordinator	NSP Case File	FEMA Mitigation Division Director	FMS
405	X	X	X	X	X	X
406	X	X	X	X	X	X
406-D	X	X	X	X	X	X
406-M	X	X	X	X	X	X
406-NON	X	X	X	X	X	X
ELIGIBLE		X		X	X	X
EPNEWS	X	X	X	X	X	X
RPNEWS	X	X	X	X	X	X
SUSPEND		X		X	X	X