compliance with the NFIP, and procedures for ensuring implementation, reviewing progress, and recommending revisions to the plan.

(f) Documentation of formal plan adoption by the legal entity submitting the plan (e.g., Governor, Mayor, County Executive).

§ 78.6 Flood Mitigation Plan approval process.

The State POC will forward all Flood Mitigation Plans to the FEMA Regional Director for approval. The Regional Director will notify the State POC of the approval or disapproval of the plan within 120 days after submission. If the Regional Director does not approve a mitigation plan, the Regional Director will notify the State POC of the reasons for non-approval and offer suggestions for improvement.

§ 78.7 Grant application procedures.

States will apply for Technical Assistance and Planning Grants through the annual Cooperative Agreement between FEMA and the State. The State POC will be notified regarding their available funds for project grants each fiscal year. The State may forward project applications to FEMA for review at any time.

§ 78.8 Grant funding limitations.

(a) The Director will allocate the available funds for FMA each fiscal year. Each State will receive a base amount of \$10,000 for Planning Grants and \$100,000 for Project Grants, with the remaining funds distributed based on the number of NFIP policies, repetitive loss structures, and other such criteria as the Director may determine in furtherance of the disaster resistant community concept.

(b) A maximum of \$1,500,000 may be allocated for Planning Grants nationally each fiscal year. A Planning Grant will not be awarded to a State or community more than once every 5 years, and an individual Planning Grant will not exceed \$150,000 to any State agency applicant, or \$50,000 to any community applicant. The total Planning Grant made in any fiscal year to any State, including all communities located in the State, will not exceed \$300,000.

(c) A maximum of ten percent of the funds available for Project Grants will be allocated to Technical Assistance grants each fiscal year.

(d) The total amount of FMA Project Grant funds provided during any 5-year period will not exceed \$10,000,000 to any State or \$3,300,000 to any community. The total amount of Project Grant funds provided to any State, including all communities located in the State will not exceed \$20,000,000 during any 5-year period.

§ 78.9 Planning grant approval process.

The State POC will evaluate and approve applications for Planning Grants. Funds will be provided only for the flood portion of any mitigation plan, and Planning Grants will not be awarded to develop new or improved floodplain maps. The performance period for each Planning Grant will not exceed 3 years.

§ 78.10 Project grant approval process.

The State POC will solicit applications from eligible applicants, review projects for eligibility, and select applications for funding. Those project applications will then be forwarded to FEMA for final approval. FEMA will provide funding on a project by project basis through a supplement to the annual Cooperative Agreement. The FEMA Regional Director will notify States regarding the program schedule at the beginning of each fiscal year.

§ 78.11 Minimum project eligibility criteria.

The identification of a project or activity in an approved Flood Mitigation Plan does not mean it meets FMA eligibility criteria. Projects must:

(a) Be cost-effective, not costing more than the anticipated value of the reduction in both direct damages and subsequent negative impacts to the area if future floods were to occur. Both costs and benefits are computed on a net present value basis.

(b) Be in conformance with 44 CFR part 9, Floodplain Management and Protection of Wetlands; Executive Order 12699, Seismic Safety of Federal and Federally Assisted or Regulated New Building Construction; 44 CFR

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part 10, Environmental Considerations; and any applicable environmental laws and regulations.

(c) Be technically feasible.

- (d) Be in conformance with the minimum standards of the NFIP Floodplain Management Regulations at 44 CFR part 60.
- (e) Be in conformance with the Flood Mitigation Plan; the type of project being proposed must be identified in the plan.
- (f) Be located physically in a participating NFIP community that is not on probation or must benefit such community directly by reducing future flood damages.

§ 78.12 Eligible types of projects.

The following types of projects are eligible for funding through FMA, providing they meet all other eligibility criteria.

- (a) Acquisition of insured structures and underlying real property in fee simple and easements restricting real property to open space uses.
- (b) Relocation of insured structures from acquired or restricted real property to non hazard-prone sites.
- (c) Demolition and removal of insured structures on acquired or restricted real property.
- (d) Elevation of insured residential structures in accordance with 44 CFR 60.3.
- (e) Elevation or dry floodproofing of insured non-residential structures in accordance with 44 CFR 60.3.
- (f) Other activities that bring an insured structure into compliance with the floodplain management requirements at 44 CFR 60.3.
- (g) Minor physical flood mitigation projects that reduce localized flooding problems and do not duplicate the flood prevention activities of other Federal agencies.
 - (h) Beach nourishment activities.

§78.13 Grant administration.

- (a) FEMA may contribute up to 75 percent of the total eligible costs of each grant. At least 25 percent of the total eligible costs will be provided from a nonFederal source. Of this amount, not more than one half will be provided from in-kind contributions. Allowable costs will be governed by OMB Circular A-87 and 44 CFR part 13.
- (b) The grantee must submit performance and financial reports to FEMA and must ensure that all subgrantees are aware of their responsibilities under 44 CFR parts 13 and 14.
- (c) FEMA will recapture any funds provided to a State or a community under FMA and deposit the amounts in the National Flood Mitigation Fund if the applicant has not provided the appropriate matching funds, the approved project has not been completed within the timeframes specified in the grant agreement, or the completed project does not meet the criteria specified in the regulations in this part.

§ 78.14 Alternative procedures.

For the purposes of this part, alternative procedures are available which allow the community to coordinate directly with FEMA in implementing the program. These alternative procedures are available in the following circumstances. Native American tribes or authorized tribal organizations may submit plans and applications to the State POC or directly to the FEMA Regional Director. If a Governor chooses not to identify a POC to coordinate the FMA, communities may also submit plans and applications to the FEMA Regional Director.

PART 79 [RESERVED]

FEDERAL CRIME INSURANCE PROGRAM

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