



Summary of HUD's Proposed Rule to Implement the Federal Flood Risk Management Standard

Background

President Biden signed [E.O. 14030](#) on May 25, 2021, reinstating the Obama Administration's Federal Flood Risk Management Standard ([E.O. 13690](#)) (FFRMS) to ensure that federally funded projects plan for current and future flood risk. This standard mandates that projects either partially or fully funded by federal agencies must follow the FFRMS requirements set by the relevant agency. Federal agencies are given the option of three methods by which to implement the FFRMS when building new infrastructure:

- **Climate-informed Science Approach (CISA):** Uses the best-available data to produce flood risk maps and flood elevations. Elevation requirements for each project will be based on the CISA maps, the anticipated life of the project, and the project's critical action status. Access to CISA maps is limited at this time, but new mapping is underway and the White House Flood Resilience Interagency Working Group will develop a web-based tool for streamlined access to the CISA maps.
- **Freeboard Value Approach (FVA):** Projects must be elevated above the base flood elevation (BFE) anticipated during a 1% annual chance flood event, as defined by FEMA Flood Insurance Rate Maps (FIRMs). Investments in "non-critical actions" must be built 2 feet above the BFE and investments in critical actions must be built 3 feet above the BFE. Adding an additional elevation requirement above the BFE is referred to as "freeboard."
- **0.2% Annual Chance Flood Approach:** Projects must be elevated above the BFE anticipated during a 0.2% annual chance flood event, as defined by the FEMA FIRMs. Building for the 0.2% annual chance flood event offers more flood risk protection against a more extreme flood scenario than building to the 1% annual chance event.

HUD Proposed Rule Prioritizes CISA Option

The Department of Housing and Urban Development (HUD) released a [proposed rule](#) to comply with E.O. 14030, in which it selects the CISA approach as its priority option:

- HUD "prefers the CISA approach because it provides a forward-looking assessment of flood risk based on likely or potential climate change scenarios, regional climate factors, and an advanced scientific understanding of these effects."

For implementation, HUD will rely on CISA tools and implementation resources under development by the White House Flood Resilience Interagency Working Group. Where CISA data is not available to determine the "FFRMS floodplain," non-critical actions must be elevated at or above the 0.2% annual chance flood event. For critical actions where CISA data is not available, development must be elevated at or above the 0.2% annual chance flood event or 3 feet above the 1% annual chance flood event, whichever is greater.

Minimum Property Standards

The proposed rule will also impact elevation requirements for new or substantially improved single-family homes or one-to-four unit properties seeking to qualify for FHA mortgage insurance programs. Both property types must be elevated two feet above the BFE anticipated during a 1% annual chance flood event to qualify.

HUD Limiting Assistance in Wetlands, the Floodway, & Coastal High Hazard Areas

Under the proposed rule, HUD will limit funding assistance for projects located in a floodway, coastal high hazard area, or wetland.

- HUD will not provide funding assistance to actions in the floodway unless they involve non-structural projects, acquisition, floodplain/wetlands restoration, or projects that result in restricting future development through the use of a permanent covenant. Projects must complete HUD's 8-step process to address floodway impacts.
- No critical actions located in a floodway, coastal high hazard area, or limit of moderate wave action (LiMWA) area will be eligible.
- Non-critical actions in a coastal high hazard area or LiMWA area must be a functionally dependent use, improve existing construction, or involve reconstruction following deconstruction caused by disaster. If the action is not a functionally dependent use, it must be designed for location in a coastal high hazard area. Projects must complete HUD's 8-step process to address coastal impacts.
- Critical and non-critical actions that include new construction activities (including grading, clearing, draining, filling) that will have a direct impact to onsite wetlands must complete the 8-step process to address wetland impacts.
 - When the proposed project may indirectly impact onsite wetlands, these impacts must be evaluated and minimized through best management practices.
 - When the proposed project may indirectly impact offsite wetlands, impacts should be minimized to the extent practicable.

HUD's 8-Step Decisionmaking Process

When a non-critical action is proposed in a floodway, coastal high hazard area, or LiMWA area, or any action is proposed in a wetland or FFRMS floodplain outside of coastal high hazard areas, LiMWA areas, and floodways, it must complete the 8-step decisionmaking process.

1. Identify if the project site is located in the floodplain or a wetlands
2. Notify the public and agencies responsible for floodplain and/or wetlands protection
3. Identify and evaluate project location alternatives
4. Identify and evaluate proposed project's impacts to the floodplain and/or wetlands
5. Design or modify the project to limit identified impacts
6. HUD will decide to approve, approve with modifications, or reject the project
7. Notify the public of HUD's decision
8. If applicable, implement the project and approved modifications