May 13, 2009

Supporting Statement for
Paperwork Reduction Act Submissions

OMB Control Number: 1660 - 0059

Title: National Flood Insurance Program Call Center and Agent Referral Enrollment Form

Form Number(s): FEMA Form 512-1 and FEMA Form 517-1

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 Flood Disaster Protection Act of 1973, Congress Findings and Declaration of Purpose, Section 2(a)(6) finds that it is in the public interest for persons already living in flood prone areas to have an opportunity to purchase flood insurance and access to more adequate limits of coverage in order to be indemnified for their losses in the event of future flood disasters. FEMA operates a call center, which operates in conjunction with the *FloodSmart* Web site (www.FloodSmart.gov). Together these methods of marketing outreach provide the mechanism for current and potential policyholders to learn more about floods and flood insurance, contact an agent, or assess their risk. The information collected from callers/visitors is used to fulfill requests for published materials, e-mail alerts, policy rates, and agent contact information.

Additionally, FEMA and the NFIP offer Agents.FloodSmart.gov as a resource for agents. Upon registering for the site, agents can enroll in the Agent Referral Program to receive free leads through the consumer site or the call center as outlined above. This information collection seeks approval to continue collecting name, address and telephone number information from: a) business and residential property owners and renters who voluntarily call to request flood insurance information and possibly an insurance agent referral and, b) insurance agents interested in enrolling in the agent referral service using FEMA form (FF) 81-95.

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.

This information collection serves two purposes: 1) allows the NFIP to service requests for flood insurance information or agent referral services from potential purchasers. Should the request include an insurance agent referral, the name and business address of insurance agents in the caller's geographic area, who are enrolled in the referral service, are provided. 2) This collection also allows insurance agents to enroll in the Agent Referral Program. When an agent receives a referral, information about the interested consumer is forwarded to the agent.

Information about the number of calls received and how many calls result in a lead as well as the origin of the calls received will be utilized to measure the activity of the Call Center and the overall effectiveness of the marketing program.

In addition, names and addresses obtained through this information collection are compared against the overall policyholders file for one year after the call is made to track conversion of calls/leads into sales.

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.

Respondents interested in purchasing flood insurance have the option to electronically complete the required information online at the FloodSmart Website, and it is anticipated that 50% of the respondents will choose. Respondents enter the required information and they receive a listing of insurance agents in their area who can assist them with purchasing flood insurance. Respondents can also choose to contact FEMA via a toll-free number to provide the same information and receive a list of insurance agents servicing their area.

For the collection of information from insurance agents interested in enrolling in the agent referral service, 100% will do so via an online registration process is utilized.

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.

FEMA would be unable to sell flood insurance due to the inability to sign up insurance agents for the program. FEMA would also be unable to receive requests from the public for information on flood insurance and to provide insurance purchase referral information to those individuals. The burden to the respondents has been minimized through the use of technology.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

This information collection is conducted in a manner consistent with the guidelines in 5 CFR 1320.5(d)(2).

(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.

(b) Requiring respondents to submit more than an original and two copies of any document.

(c) Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years.

(d) 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.

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 October 15, 2008, Volume73, Number 200, pp. 61144]. No comments were received. Please see attached copy of the published notice included in this package.

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.

The FEMA Mitigation Division, Risk Insurance maintains close contact with strategic partners and/or their representatives involved directly or indirectly with the National Flood Insurance Program. Such partners include, among others, the Federal Insurance Producers National Committee, the Independent Insurance Agents of America, the Write-Your-Own Marketing Committee, and numerous insurance companies, lenders, developers, consumer organizations, and State, Local and Tribal governments. FEMA considers all input received from these groups and the program to date reflects the results of all the information received.

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.

FEMA performs an outbound call process to agents who receive a prospective insurance sales lead. This call allows for information to be gathered regarding the status of the insurance sale as well as allowing for feedback from the insurance agent regarding the program. FEMA also has contact with the prospective insurance consumer via the toll-free number, which allows for consultation regarding the collection.

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.**

Calls to the Call Center and enrollment in the Agent Referral Program are strictly voluntary; therefore the decision to use this resource comes from respondents' own volition and the respondent is allowed to opt out of the information collection. Call Center operators are highly trained in the use of telephone scripts and handling of the information collected from respondents. Callers are asked specific questions as stated in the telephone scripts that clearly demonstrate that the information provided will be used to serve the caller's own request for information, agent referral, or in the case of insurance agents, enrollment in the referral service.

Direct access to the database server is permitted only to system administrators and the application server and direct database access is provided only to DHS system administrators at Mt. Weather. A firewall will be in place to separate the web server from the application and database server. To minimize the risk of unauthorized access, the system employs an n-tier architecture separating presentation, logic, and data on separate servers.

A privacy Threshold Analysis and a Privacy Impact Assessment have been completed for this collection, and are currently under review by the agency Privacy Officer. All information collected will be kept private to the extent allowable by law.

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.

There are no questions of a sensitive nature.

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. 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.

Call to call center or visit to website – FEMA Form 512-1 – The number of respondents to this data collection activity is 73,017, with the split between the calls and Internet online data collection being 50% each (36509 and 36508) as this is the projected number of individuals who will call or visit the website seeking information on flood insurance. The frequency of calls to the center or visits to the website per respondent is once, and the estimated time to gather the information from the respondent is .05 hours (3 minutes). Whether respondents choose to call the call center or visit the Web site, the information collected and the time to respond is the same. The "Total Annual Burden Hours" is 3,651 (rounded).

FEMA Form 517-1, Agent Referral Program Enrollment Form – The number of respondents to this data collection activity is 8,779; this represents the number of new insurance agents who will seek to become associated with the agent referral database for flood insurance. The frequency of this data collection is once annually, and the estimated time to gather this information is .033 hours (2 minutes). The "Total Annual Burden Hours" is 293 (rounded)

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. 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.

Table A.12: Estimated Annualized Burden Hours and Costs

Type of Respondent	Form Name / Form Number	No. of Respondents	No. of Responses per Respondent	Avg. Burden per Response (in hours)	Total Annual Burden (in hours)	Avg. Hourly Wage Rate	Total Annual Respondent Cost
Individual or household	Call to call center and visitors to the	73017	1	0.05	3651	$19.56	$71,413.56

	Website / FEMA Form 512-1						
Businesses or other for-profit	Agent Referral Program Enrollment Form / FEMA Form 517-1	8779	1	0.033	293	$28.10	$8,233.30
Total		**81,796**			**3,944**		**$79,646.86**

According to the U.S. Department of Labor, Bureau of Labor Statistics website (www.bls.gov) the wage rate category for "all occupations" (for individual or household respondents) is estimated to be $19.56 per hour, therefore, the estimated burden hour cost to respondents "all occupations" is estimated to be $71,413.56 annually based on 73,017 respondents and the average burden per response value of .05 hours (3 minutes).

For the second group of respondents, according to the U.S. Department of Labor, Bureau of Labor Statistics website (www.bls.gov) the wage rate category for "Insurance Sales Agents" is estimated to be $28.10 per hour, therefore, the estimated burden hour cost to respondents "Insurance Sales Agents" is estimated to be $8,233.30 annually based on 8,779 respondents and the average burden per response value of .033 hours (2 minutes).

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.)

There are no recordkeeping, capital, start-up or maintenance costs associated with this information collection.

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.

Annual Cost to the Federal Government

Item	Cost ($)
Contract Costs [A rough outline of the costs for the recordkeeping is below. Monthly costs are incurred for the following, and have been estimated on previous year costs: - Annual Inbound call volume: $ .86 per minute o 73,017 callers lasting an estimated 3.3 minutes each averaging $240,957 - Interactive Voice Response (IVR) minutes: $ .25 per minute	**$305,025**

o Estimated 20,986 callers, lasting 1 minute each totaling $5,246 - Warm transfers to insurance agents: $ .15 per minute o 56,530 respondents (77% of callers) being transferred for 2 minutes each: $16,959 - Refresh training of CSRs & training of new CSRs: $18/hour per agent totaling $5,791 - Toll free access: $100 per month totaling $1,200 - Program management: $2,500 per month totaling $30,000 - Weekly call center reporting: $20 per week totaling $1,040 - Language line services: $3,832**]**	
Staff Salaries [2 GS 13s at 25% = 44,246, 1 GS 14 at 10% = 10,782]	$55,028
Facilities **[cost for renting, overhead, ect. for data collection activity]**	
Computer Hardware and Software **[cost of equipment annual lifecycle]**	
Equipment Maintenance **[cost of annual maintenance/service agreements for equipment]**	
Travel [Twice a year to call center]	$2,200
Printing **[**30,969 fulfillment pieces at $.46 each] = **number of data collection instruments annually]**	$14,245
Postage **[**30,969 pieces mailed for $15,703] Postage is based on bulk rate of 500 pieces per mailing.	$15,703
Other	
Total	$392,201

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 a 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.*

Itemized Changes in Annual Burden Hours

Data collection Activity/Instrument	Program Change (hours currently on OMB Inventory)	Program Change (New)	Difference	Adjustment (hours currently on OMB Inventory)	Adjustment (New)	Difference
Call to call center and visitors to the Website	3,450	3,651	+201			
Agent Referral Program Enrollment Form / FF 571-1	210	293	+83			
Inquiry on referrals not leading to sales	60	0	-60			
Calls to consumer	30	0	-30			
Total(s)	**3,750**	**3,944**	**+194**			

Explain: There is an overall increase of 194 hours in the annual burden estimate for this submission. The increase in the "calls to the call center and visitors to the Website" reflects an increase in flood insurance interest represents increased effectiveness of the flood programs outreach to the respondents. The increase in the number of FEMA Form 571-1 (formerly FEMA Form 81-95) respondents is due to the efficiency with agent activity, as more responses are converting to agent referrals or brochure requests, increasing interest in the program. Decreased "Inquiry on referrals not leading to sales" is due to the determination that the function is not a collection of information as defined by 5 CFR 1320(3)(h)(9) and The Paperwork Reduction Act of 1995: Implementing Guidance for OMB Review of Agency Information Collection:, Draft August 16, 1999. The reduction in "calls to consumer" is due to the elimination of that function in the program. The information previously collected in this fashion is available from the "Inquiries on referrals not leading to sales" data collection and this duplication is eliminated.

Itemized Changes in Annual Cost Burden						
Data collection Activity/Instrument	**Program Change (cost currently on OMB Inventory)**	**Program Change (New)**	**Difference**	**Adjustment (cost currently on OMB Inventory)**	**Adjustment (New)**	**Difference**
Call to call center and visitors to the Website	$60,000.00	$71,413.56	+$11,413.56			

Agent Referral Program Enrollment Form / FF 571-1	$4,800.00	$8,233.30	+$3,433.30			
Inquiry on referrals not leading to sales	$1,356.00	0	-$1,356.00			
Calls to consumer	$527.00	0	-$527.00			
Total(s)	**$66,683.00**	**$79,646.86**	**+$12,963.86**			

Explain: There is an overall increase of the annual cost burden estimate for this submission. The increase results from the additional number of respondents targeted by the collection as well as an increase in the hourly wage rate for the respondents. There is some reduction included in the calculations resulting from the elimination of the inquiry of referrals to agents and the calls to consumers' collection activities.

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.

This information collection will not be published for statistical purposes.

17. If seeking approval not to display the expiration date for OMB approval of the information collection, explain reasons that display would be inappropriate.

FEMA will display the expiration date for OMB approval of this information collection.

18. Explain each exception to the certification statement identified in Item 19 "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

FEMA does not request an exception to the certification of this information collection.

B. Collections of Information Employing Statistical Methods.

There is no statistical methodology involved with this collection.