

## Supporting Statement

### Certification of Funeral Expenses

LS-265

OMB No. 1215-0027

#### A. Justification.

1. The Office of Workers' Compensation Programs administers the Longshore and Harbor Workers' Compensation Act. The Act provides benefits to workers injured in maritime employment on the navigable waters of the United States or in an adjoining area customarily used by an employer in loading, unloading, repairing, or building a vessel. In addition, several acts extend Longshore Act coverage to certain other employees.

Section 9(a) [33 USC § 909(a)] of the Act provides that reasonable funeral expenses not to exceed \$3,000 shall be paid in all compensable death cases. Form LS-265 has been provided for use in submitting the funeral expenses for payment. This document does not require a social security number and submission of the social security number is optional.

2. The form is submitted to OWCP district offices that have responsibility for monitoring and processing death cases. The information is usually incorporated into a compensation order at the time death benefits are ordered paid in a case. It is used to certify the amount of funeral expenses incurred in the case. If the information were not collected, we would be unable to determine the amount of funeral expenses that should be paid.

3. In accordance with the Government Paperwork Elimination Act (GPEA), it is neither practicable nor cost effective to make Form LS-265 electronically interactive considering the relatively small amount of responses annually and the likelihood of the respondent universe to use the electronic option. However, while the form is not available for electronic submission it is available on DOL's website for completion online, printing and downloading. The website for accessing this document is <http://www.dol.gov/esa/owcp/dlhwc/ls-265.pdf>. The LS-265 can also be accessed through DOL's on-line forms library at <http://www.dol.gov/libraryforms/index.asp>.

4. All forms in the Longshore program have been carefully reviewed to eliminate all requests for duplicate information. The LS-265 is a unique form in that it pertains to the certification

of funeral expenses.

5. The collection does not have a significant economic impact on a substantial number of small businesses.

6. The information is only collected on occasion when certification of funeral expenses is required. It therefore cannot be collected less frequently.

7. There are no special circumstances for the collection of this information.

8. The LS-265 has been in use for a number of years and no complaints have been received relative to the information it requests. It requests only basic information relative to the amount of funeral expenses incurred and only a small number of copies are used each year. Should any suggestions for improvement be received, they will be reviewed and appropriate action will be taken.

A Federal Register Notice inviting public comment was published on September 25, 2007. No comments were received.

9. No payments or gifts are provided to respondents.

10. Records pertaining to compensation cases are covered under the Privacy Act. The system names Office of Workers' Compensation Programs, Longshore and Harbor Workers' Compensation Act case files.

11. There are no questions of a sensitive nature.

12. Burden has been estimated to be approximately 49 hours. It is estimated that about 195 funeral directors will file approximately one form each for a total annual number of forms filed of 195. The source for the estimates is derived from the actual number of forms received annually. The time needed to complete the form, including the time needed to obtain the information required by the form from existing records, has been estimated to be 15 minutes or .25 hours. This estimate is considered reasonable in light of the information required by the form, which is the amount of services rendered which is readily available to the funeral director.

The annualized burden cost to the respondents has been estimated to be approximately \$710.50. This estimate is derived from use of

the National Average Weekly Wage (NAWW) as computed by the Bureau of Labor Statistics and which is based on the national average earnings of production or nonsupervisory workers on private nonagriculture payrolls. Section 6(b) of the Act mandates the use of the NAWW in setting the maximum and minimum compensation rates under the Act and in determining the amount of annual adjustments due to permanent total disability and death beneficiaries. While the form is filed on behalf of funeral directors, the form may be completed by employees in the administrative office or by other clerical personnel. Since it is not possible to determine the specific occupation or wages for each person who will provide the information covered by this clearance, and wages can vary considerably from person to person depending on duties and length of service, use of a national average weekly wage covering all occupations appears reasonable under the circumstances.

The current applicable NAWW is \$580.14. The computations are therefore as follows:  $\$580.14 \div 40 \text{ hrs} = \$14.50/\text{hr} \times 49 \text{ hrs} = \$710.50$  annualized burden cost.

13. Since the information required by Form LS-265 is kept as a usual and customary business practice, the only operation and maintenance cost for this information is for mailing. The cost is therefore approximately \$85.8 (195 responses x \$.41 postage + \$.03 envelope).

14. The cost to the government has been estimated to be approximately \$578.58. This estimate was determined by taking into consideration printing, distribution and analysis costs associated with the issuance and review of Form LS-265. Printing costs were determined by using a cost of \$2.25 per 100 copies for a one-sided form. Distribution costs were determined by applying the postage (.41 cents) and envelope charge (.03 cents) against the number of copies issued. Analysis and handling costs were determined by applying the hourly rate of a GS-12 (locality: Rest of US; step 1) claims examiner (currently \$31.30 hour) to the total annual hours required for review. The annual review hours were determined by applying an estimate of .08 hour or 5 minutes for review and analysis of each form against the 195 forms, which are received each year. The calculations are as follows:

Printing	\$ 4.50	(\$2.25 x 2)
Distribution	85.80	(195 x .44)
Analysis	<u>488.28</u>	(195 x .08 = 15.6 hours x \$31.30)
Total	\$578.58	

15. There has been no change in burden hours. Operation and maintenance costs have increased from \$78.00 to \$85.8 because of the increase in postage. This represents the actual increase in cost, as opposed to the apparent increase emanating from the prior practice of rounding costs to the nearest 1000.
16. The information collected will not be published for statistical use.
17. The expiration date will be displayed on the form.
18. There are no exceptions to the certification.