

SUPPORTING STATEMENT

OMB No. 1240-0048 (formerly 1215-0059)

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collections. Attach a copy of the appropriate section of each statute and of each regulation mandating or authorizing the collection of information.**

The Black Lung Benefits Act as amended, and codified at 30 USC 933 (http://uscode.law.cornell.edu/uscode/html/uscode30/usc_sec_30_00000933----000-.html), requires that a responsible coal mine operator be insured and outlines the items each contract of insurance must contain. It also enumerates the civil penalties to which a responsible coal mine operator is subject, should these procedures not be followed. In addition, 20 CFR Part V, Subpart C, 726.208 - .213 (http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title20/20cfr726_main_02.tpl) requires that each insurance carrier shall report to DCMWC each policy and endorsement issued, cancelled, or renewed with respect to responsible operators. It states that this report will be made in such a manner and on such a form as DCMWC may require. It is also required that if a policy is issued or renewed for more than one operator, a separate report for each operator shall be submitted.

- 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.**

The CM-921 is completed by the insurance carrier and forwarded to the Department for review. DCMWC staff reviews the completed CM-921 to identify those operators who have secured insurance for payment of black lung benefits as required by Section 423 of the Act.

- 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.**

In accordance with the Government Paperwork Elimination Act (GPEA), DCMWC recognizes the requirement that all OMB forms be made electronically interactive. The Office of Workers' Compensation Programs is studying a method of providing electronic interactivity of the CM-921, which is not printed or distributed by the Department of Labor. Even though interactivity is not currently available, the Department is able to offer the form to insurance carriers in the same manner that other DCMWC forms are available, at <http://www.dol.gov/owcp/regs/compliance/cm-921.pdf>.

Although the CM-921 form is available electronically, DCMWC expects that most respondents will prefer to print, complete, and mail the forms as they have in the past. Those insurance carriers that have automated their computer programs to generate the CM-921 will likely find continued use of that method to be more cost-effective than individually completing an online form for each coal mine operator (as stated above, separate reports are required for each operator.)

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.

There is no similar approved information collection form used by DCMWC or Federal Government for insurance carriers to report coverage of coal mine operators.

5. If the collection information impacts small businesses or other small entities (Item 5 of 014B Form 83-1), describe any methods used to minimize burden.

This collection of information does not involve small businesses.

6. Describe the consequence of Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

This information is collected on an annual basis, because 20 CFR 726.206 requires that policies be issued for one year. DCMWC needs to collect this information in order to conform to the regulatory requirements of the Black Lung Benefits Act. If this information is not collected, DCMWC would be in violation of the regulating requirements of the Act.

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

- requiring respondents to report information to the agency more often than quarterly;
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- requiring respondents to submit more than an original and two copies of any document;
- requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- 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;
- requiring the use of statistical data classification that has not been reviewed and approved by OMB;
- 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; or

- requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can prove that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

There are no special circumstances for this information collection.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), 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.

No outside consultants were contacted concerning the use of the CM-921. The form has been in use since 1973, and there has been ample time to voice any complaints regarding its use. A Federal Register Notice inviting public comment was published on 9/15/2009. No comments were received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

Respondents do not receive gifts or payments to furnish the requested information.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulations, or agency policy.

No information covered by the Privacy Act of 1974 is collected.

11. Provide additional justification for any questions 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.

This collection contains no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should:

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 make special surveys to obtain information on which to base burden estimates. Consultation with a sample of potential respondents is desirable. If the burden on respondents is expected to vary widely because of differences in activity, size, or complexity,

show the range of estimated burden and explain the reason for the variance. Generally, estimates should not include burden hours for customary and usual business practices. Provide estimates of the hour burden of the collection of information. The statement should:

- 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 make special surveys to obtain information on which to base burden estimates. Consultation with a sample of potential respondents is desirable. If the burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated burden and explain the reason for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

The public burden estimate of this information collection is approximately 633 hours. This burden is based on approximately 10 minutes for retrieving the information and completing each of the around 3,800 CM-921 forms received each year. There are about 60 insurance carriers that insure approximately 3,800 coal mine operators. Of these, six carriers insure about 80% (or 3,040) of the operators, thus submitting an average of 507 CM-921s per carrier. The remaining carriers insure the remaining 800 operators, thus submitting an average of 15 CM-921s per carrier.

<u>3,040 forms</u>	+	<u>760 forms</u>	=	3,800 total forms
<u>3,800 forms</u>	x	<u>10 minutes</u>	=	38,000 minutes
<u>38,000 minutes</u>	÷	<u>60</u>	=	633 hours
<u>633 hours</u>	x	<u>\$15.18</u>	=	\$9,609

The estimated annualized cost to respondents to provide this information is \$9,609.00. This was determined by using one-fortieth of the weekly wage of the Office and Administrative Support positions (\$15.18 per hour average) of the Usual Weekly Earnings of Wage and Salary Workers, July 2009, published by the Bureau of Labor Statistics (http://www.bls.gov/news.release/archives/wkyeng_07162009.htm).

13. Annual Costs to Respondents (capital/start-up & operation and maintenance).

Operation and maintenance costs to print and mail the form is \$1,975.00. This estimate is based on a cost of \$0.44 per stamp, \$0.03 per envelope, and \$0.05 per form, for a per-form cost of \$0.52.

3,800 forms	X	\$0.52	=	\$1,975.00
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14. Provide estimates of annualized cost to the Federal government.

The estimated total cost to the Federal Government for processing these 3,800 sample forms is approximately \$8,097.00. The cost is figured as follows:

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One data entry clerk (GS-5/8) earning \$15.97 per hour spending about 8 minutes reviewing the form, entering the data into the computer system, and filing the form.

3,800 forms	x	8 minutes	=	30,400 minutes
30,400 minutes	÷	60	=	507 hours
507 hours	x	\$15.97	=	\$8,097.00

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

The total number of burden hours is reduced by 5% since the last clearance. This adjustment is the result of a slight decline in coal mine operators and an increase in companies that are covered by self-insurance. Self-insured companies are not required to complete the CM-921. The slight increase in cost burden results from increased postage costs.

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 information, completion of report, publication dates, and other actions.

There are no plans to publish this collection of information.

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

Because the CM-921 is printed and distributed by individual insurance companies, the data required by OMB is printed on our instruction sheet for completing the CM-921. This relieves individual carriers from the added expense of redesigning and printing new forms every few years. This ICR does not seek a waiver from the requirement to display the expiration date.

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

There are no exceptions to the certification statement.