

SUPPORTING STATEMENT
Notice of Issuance of Insurance Policy
1240-0048

A. Justification

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://www.gpo.gov/fdsys/pkg/USCODE-2011-title30/html/USCODE-2011-title30-chap22-subchapIV-partC-sec933.htm>) 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.

OWCP is revising this information collection to remove the Form CM-921, Notice of Issuance of Insurance Policy, filing requirement, when the insured coal mining operations are conducted in a State that reports all workers' compensation to the National Council on Compensation Insurance (NCCI). OWCP and NCCI have a Memorandum of Understanding in place that permits NCCI to provide policy information directly to OWCP via Secure FTP (File Transfer Protocol) server.

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 will be 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 (OWCP) has recently developed a method for electronic submission of the CM-921. The form is available online at <http://www.dol.gov/owcp/regs/compliance/cm-921.pdf>.

Most respondents are now able to use the National Council for Compensation Insurance as their agent to report policies electronically at the same time that they report similar information to the several states. OWCP and NCCI have a Memorandum of Understanding in place that permits NCCI to provide policy information directly to OWCP via Secure FTP (File Transfer Protocol) server. Other respondents in some states do not have such capability and still need to submit the actual form to the DCMWC.

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. Many States also collect this information through NCCI. OWCP and NCCI have a Memorandum of Understanding in place that permits NCCI to provide policy information directly to OWCP via Secure FTP (File Transfer Protocol) server; therefore, OWCP has removed reporting that is duplicative with State requirements.

5. If the collection information impacts small businesses or other small entities, 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 required in the conduct of this information collection:

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 March 12, 2013. 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 assurance of confidentiality is provided. 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 public burden estimate of this information collection is approximately 8 hours. This burden is based on approximately 10 minutes for retrieving the information and completing each of the around 50 CM-921 forms received each year. There are about 4 state agencies or insurance carriers insuring approximately 50 coal mine operators that cannot use the NCCI/OWCP MOU to provide coverage information by Secure FTP. OWCP assumes no unique Federal time burden for responses provided through NCCI, because State law already requires the identical reporting requirement.

$$50 \text{ forms} \times 10 \text{ minutes} = 500 \text{ minutes}$$

$$500 \text{ minutes} / 60 = 8.3333 \text{ hours (rounded down to 8)}$$

This represents a downward adjustment in burden hours of 625 (previously 633 burden hours).

The estimated annualized cost to respondents to provide this information is \$128.64. This was determined by using one-fourth of the weekly wage of the Office and Administrative Support positions (\$16.08 per hour average) of the Usual Weekly Earning of Wage and Salary Workers 2012, published by the Bureau of Labor Statistics <http://www.bls.gov/news.release/wkyeng.t08.htm>.

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

Operation and maintenance costs to print and mail the form is \$27.00. This estimate is based on a cost of \$0.46 per stamp, \$0.03 per envelope, and \$0.05 per form, for a per-form cost of \$0.54 for each of the 50 forms mailed.

$$50 \text{ forms} \quad \times \quad \$0.54 \quad = \quad \$27.00.$$

OWCP estimates NCCI spent \$500 to develop its side of the FTP, and will spend \$360 per year to maintain it; thus, over the three year life-span of this ICR, the annual NCCI cost is \$407. NCCI will submit approximately 3450 responses per year.

RESPONDENT TOTAL BURDEN TABLE Submission Type	Number of Respondents	Responses Submitted per Respondent	Federal Time Burden per Submission	Total Federal Time Burden	Federal Other Cost Burden per Response	Total Federal Other Cost Burden
CM-921	50	1	10 min.	8 hours	\$0.54	\$27.
NCCI	1	3450	0	0 hours	\$0.12	\$407
Total	51	3500	0.14 min	8 hours	\$.13	\$434

14. Provide estimates of annualized cost to the Federal government.

The estimated total cost to the Federal Government for processing these 50 sample forms is approximately \$129.50. The cost is figured as follows:

One data entry clerk (GS-5/8) earning \$18.50 per hour spending about 8 minutes reviewing the form, entering the data into the computer system, and filing the form.

$$50 \text{ forms} \quad \times \quad 8 \text{ minutes} \quad = \quad 400 \text{ minutes}$$

$$400 \text{ minutes} \quad \div \quad 60 \quad = \quad 6.66667 \text{ (round up to 7 hours)}$$

$$7 \text{ hours} \quad \times \quad \$18.50 \quad = \quad \$129.50$$

OWCP estimates the Agency spent \$500 to develop its side of the FTP, and will spend \$360 per year to maintain it.

15. Explain the reasons for any program changes or adjustments.

The total number of burden hours is reduced by 98.7% since the last clearance. This adjustment is a result of the policy information from nearly all states being supplied to OWCP by NCCI by Secure FTP.

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 ROCIS

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

Statistical methods are not used in these collections of information.