

SUPPORTING STATEMENT
VA FORM 29-1546
APPLICATION FOR CASH SURRENDER OR POLICY LOAN
2900-0012

JUSTIFICATION:

1. This form is used by the insured to apply for cash surrender value or policy loan on his/her insurance. The information on this form is required by law, 38 USC 1906 and 1944, 38 CFR 6.115, 6.116, 6.117, 8.27, 6.100, 6.101 and 8.28.
2. The data collected on this form is used by the Department of Veterans Affairs (VA) to indicate the processing of the insured's request for a loan or cash surrender. This form is being revised due to the change in law informing insureds they can no longer receive paper checks. The Treasury will only send payments by direct deposit. Additionally, Block 8 of the Loan portion of the form, the insured can inform us of how much he would like deducted from his compensation check or military retirement to reduce the loan. The expiration date has also been added to the form.
3. VA Form 29-1546 is available on the One-VA web site in a fillable electronic format. VBA is currently hosting this form on a secure server and does not currently have the technology in place to allow for the complete submission of the form. Validation edits are performed to assure data integrity. Efforts within VA are underway to provide a mechanism to allow the information to be submitted electronically with a recognized signature technology. There currently is no utility process in place that will allow the data submitted on the form to be incorporated with an existing centralized legacy database.
4. The information is not contained in any other VA records. Similar information is not available elsewhere.
5. The information does not involve any small businesses.
6. The form is designed for use by the insured to establish his/her eligibility to obtain a loan or cash surrender.
7. There are no special circumstances requiring that the collection of information be conducted in a manner inconsistent with the guidelines in 5 CFR Section 1320.6.
8. The Department notice was published in the Federal Register on June 16, 2014, Volume 79, No. 115, pages 34396-34397. No comments were received in response to this notice.
9. The information collected is supplied by the respondent. No remuneration is made.

10. The information collection conforms with the Privacy Act of 1974 and is subject to the conditions of disclosure contained therein. The records are maintained in the system identified as 36VA00, "Veterans and Armed Forces Personnel United States Government Life Insurance Records - VA" as contained in the Privacy Act Issuances, 1993 Compilation.

11. There are no questions of a sensitive nature.

12. We estimate that approximately 29,636 forms a year will be received. We also estimate that it will take approximately 10 minutes to complete this form. We arrived at this estimate by initiating a trial with a VA staff member unfamiliar with this form. The annual burden will now be 4,939 hours.

a. Number of Respondents: 29,636

b. Frequency of Response: Upon Request

c. Annual Burden Hours: 4,939

d. Estimated Completion Time: 10 minutes

e. According to the U.S. Bureau of Labor Statistics Average Hourly Earnings, the cost to the respondent is \$24, making the total cost to the respondents an estimated \$118,536. (4,939 burden hours X \$24 per hour)

13. This submission does not involve any record keeping costs.

14. Cost to Government:

\$26,643.00	Estimated mailing cost (29,636 X 2 minutes per form X \$15.51/hour (average salary for station mail personnel) plus 29,636 X 38.2 cents each (presort discount)).
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\$13,810.00	Estimated cost for collections (29,636 X 2 minutes per X \$13.98/hour (average salary of station collections personnel)).
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\$97,947.00	Estimated cost for processing (29,636 forms X 10 minutes per form X \$19.83/hour (average salary for reviewers)).
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\$900.00	Estimated printing costs (30,000 X \$30/1,000 forms).
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\$139,300.00	Total cost to the Government.
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15. There is no change in respondent burden. This form is being revised due to the change in law informing insureds they can no longer receive paper checks. The Treasury will only send payments by direct deposit. Additionally, Block 8 of the Loan portion of the form, the insured can inform us of how much he would like deducted from his compensation check or military retirement to reduce the loan. The expiration date has also been added to the form.

16. The information is collected for insurance purposes only and there are no plans for publication.

17. We are not seeking approval to omit the expiration date for OMB approval.

18. This submission does not contain any exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods

This collection of information does not employ statistical methods.