SUPPORTING STATEMENT
VA FORMS 29-389 and 29-389-1
NOTICE OF LAPSE, NOTICE OF PAST DUE PAYMENT
2900-0128

A. JUSTIFICATION:

1. Explain the circumstances that make the collection of information necessary. Identify legal or administrative requirements that necessitate the collection of information.

These forms are used by the policyholder to reinstate a lapsed life insurance policy. The information requested is authorized by law, 38 CFR Section 8.11. The previous calculations were corrected and it resulted in a decrease in the respondent burden.

2. Indicate how, by whom, and for what purposes the information is to be used; indicate actual use the agency has made of the information received from current collection.

The information collected on these forms is used by the Department of Veterans Affairs (VA) to determine the insured's eligibility to reinstate.

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.

VA Form 29-389 will be available on the One-VA web site in a fillable electronic format. VA Form 29-389-1 is produced on a Xerox Laser printer. 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 this 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 this form to be incorporated with an existing centralized legacy database.

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.

The information is not contained in any other VA records. Similar information is not available elsewhere.

5. 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.

The information does not involve any small businesses.

6. Describe the consequences to 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.

These forms are designed for use by the insurance activity to determine the insured's eligibility to reinstate.

7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or require respondents to prepare written responses to a collection of information in fewer than 30 days after receipt of it; submit more than an original and two copies of any document; 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 and require the use of a statistical data classification that has not been reviewed and approved by OMB.

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. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the sponsor'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 sponsor in responses to these comments. Specifically address comments received on cost and hour burden.

The Department notice was published in the Federal Register on February 11, 2015, Volume 80, No. 28, pages 7701-7702. No comments were received in response to this notice.

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

The information collected is supplied by the respondent. No remuneration is made.

10. Describe any assurance of privacy, to the extent permitted by law, provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

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. Provide additional justification for any questions of a sensitive nature (Information that, with a reasonable degree of medical certainty, is likely to have a serious adverse effect on an individual's mental or physical health if revealed to him or her), such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private; include 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. Estimate of the hour burden of the collection of information:

Estimate for 29-389

a. Number of Respondents: 16,993
b. Estimated Completion Time: 12 minutes
c. Annual Burden Hours: 3,399

Estimate for 29-389-1

a. Number of Respondents: 6,359
b. Estimated Completion Time: 10 minutes
c. Annual Burden Hours: 1,060

Total Average Estimate

a. Number of Respondents: 23,352
b. Frequency of Response: On occasion
c. Annual Burden Hours: 4,281
d. Estimated Completion Time: 11 minutes ((16,993 X 12 minutes = 203,916 minutes) X (6,359 X 10 minutes = 63,590) = 267,506 divided by 23,352 = 11 minutes (11.455 minutes rounded to the nearest whole number is 11 minutes))
e. According to the U.S. Bureau of Labor Statistics Average Hourly Earnings, the cost to the respondent is $25, making the total cost to the respondents an estimated $107,025. (4,281 burden hours X $25 per hour).

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

This submission does not involve any record keeping costs.

14. Provide estimates of annual cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operation expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

Estimated Costs to the Federal Government:

$20,993.00	Estimated mailing cost (23,352 X 2 minutes per form X $15.51/hour (average salary for station mail personnel) plus 23,352 X 38.2 cents each (presort discount)).
$10,882.00	Estimated cost for collections (23,352 X 2 minutes per X $13.98/hour (average salary of station collections personnel)).
$77,178.00	Estimated cost for processing (23,352 forms X 10 minutes per form X $19.83/hour (average salary for reviewers)).
$720.00	Estimated printing costs (24,000 X $30/1,000 forms).
$109,773.00	Total cost to the Government.

15. Explain the reason for any burden hour changes since the last submission.

The previous calculations were corrected and it resulted in a decrease in the respondent burden. The expiration date is being added to the forms and the OMB website address in the respondent burden paragraph was updated.

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.

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

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.

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

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

This collection of information does not employ statistical methods.

B. Collection of Information Employing Statistical Methods:

This collection of information does not employ statistical methods.