

Narrative of Changes

The purpose of the Narrative of Changes is to clearly indicate changes to a collection since the previous approval.

Collection Title: Write Your Own (WYO) Company Participation Criteria; New Applicant
 OMB Control No.: 1660-0038
 Current Expiration Date: 6/30/2015
 Collection Instruments: None

The following are the changes to the collection:

Supporting Statement:

Question 1 – Has been updated to more clearly explain the eligibility requirements for private insurance providers under 44 CFR 62.23 and 62.24.

Question 2 – Was changed as follows:

- Reference to “public entity risk sharing organizations” was removed; the opportunity for members of this group to join the NFIP has sunset.
- The format for how the agency tests applicant ability to correctly submit financial data has been clarified. The clarification of how we test applicants caused a correction to the cost and time burdens, this is briefly explained here and is also addressed below in the response to Question 12.
- The grammar has been corrected in the section explaining what data an applicant must submit as evidence that the company is in good standing with all state, legal and other insurance requirements addressed under 44 CFR 62, Appendix A.

Question 3 – Was changed to clarify why applicants are required to use the US mail to submit application documentation.

Question 8a – Updated to reflect FRN publication information.

Question 10 – Updated to reflect current privacy information.

Question 12 – Annual burden hours has increased. See Q15 for explanation.

Question 14 – Costs to the Federal Government updated.

Question 15 – See Q15 explanation below.

Estimated Annualized Burden Hours and Costs								
Type of Respondent	Form Name / Form Number	No. of Respondents	No. of Responses per Respondent	Total No. of Responses	Avg. Burden per Response (in hours)	Total Annual Burden (in hours)	Avg. Hourly Wage Rate	Total Annual Respondent Cost
Business or Other for-profit (Insurance Industry)	Application Process / No Form	5	1	5	9 hours	45	\$64.28	\$2,892.60
Total		5		5		45		\$2,892.60

Note: The “Avg. Hourly Wage Rate” for each respondent includes a 1.4 multiplier to reflect a fully-loaded wage rate.

Question 15 – See explanation below.

Itemized Changes in Annual Burden Hours						
Data collection Activity/Instrument	Program Change (hours currently on OMB Inventory)	Program Change (New)	Difference	Adjustment (hours currently on OMB Inventory)	Adjustment (New)	Difference
Business or Other for-profit (Insurance Industry)				35	45	+10
Total(s)				35	45	+10

Annual Burden Hours Explained:

The annual burden hours has increased to account for the time respondents spend on the one time test of the insurance company’s ability to successfully use the financial reporting system. This time was not accounted for in the 60-day Federal Register Notice. Two hours were added to the Avg. Burden per Response which resulted in an adjusted Total Annual Burden (45 hours).