

October 21, 2016

Supporting Statement for Paperwork Reduction Act Submissions

OMB Control Number: 1660 - 0006

Title: National Flood Insurance Program Policy Forms

Form Number(s): FEMA Forms 086-0-1, 086-0-2, 086-0-3, 086-0-4, and 086-0-5

General Instructions

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i)(iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When Item 17 or the OMB Form 83-I is checked “Yes”, Section B of the Supporting Statement must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information. Provide a detailed description of the nature and source of the information to be collected.

The National Flood Insurance Program (NFIP) is authorized by Public Law 90-448 (1968) and expanded by Public Law 93-234 (1973). The National Flood Insurance Act of 1968 requires that the Federal Emergency Management Agency (FEMA) provide flood insurance at full actuarial rates reflecting the complete flood risk to structures built or substantially improved on or after the effective date for the initial Flood Insurance Rate Map (FIRM) for the community, or after December 31, 1974, whichever is later, so that the risks associated with buildings in flood-prone areas are borne by those located in such areas and not by the taxpayers at large. These actuarial rates are based on the degree of the flood risk reflected on the FIRM and take into account a number of different factors including flood risk zone,

elevation of the lowest floor above or below the Base Flood Elevation (the elevation of the 100-year frequency flood), type of building, number of floors, basements, enclosures, and so forth. However, an alternative rating method is available for buildings built before the effective date of the FIRM for the community, or before December 31, 1974, whichever is later. Such buildings qualify for Pre-FIRM rates, which are subsidized rates that vary by the category of building.

In return, communities enact and administer construction safeguards to ensure that new construction in the flood plain will be built to eliminate or minimize future flood damage. In accordance with Public Law 93-234, the purchase of flood insurance is mandatory when federal or federally related financial assistance is being provided for acquisition or construction of buildings located, or to be located, within FEMA-identified special flood hazard areas of communities, which are participating in the NFIP.

The Biggert-Waters Flood Insurance Reform Act of 2012, Pub.L.112-141 (2012) Biggert-Water Flood Insurance Reform Act of 2012 (BW-12) and the Homeowners Flood Insurance Affordability Act of 2014, Pub.L.113-89 (2014) (HFIAA) are requiring modifications to the NFIP. Program changes resulting from BW-12 and HFIAA include exclusion of certain properties from receiving subsidized premium rates. There are updated requirements for new business policies. Certain provisions of BW-12 apply to policies purchased after enactment of BW-12, but before October 1, 2013. These and other changes resulting from BW-12 and HFIAA have necessitated revision of the NFIP Policy Forms to assure proper classification of properties for rating purposes and to rate and issue the policies in accordance with the provisions of BW-12 and HFIAA.

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. Provide a detailed description of: how the information will be shared, if applicable, and for what programmatic purpose.

In order to provide for the continued widespread availability of policies for flood insurance, policies will continue to be marketed through the facilities of licensed insurance agents or brokers in the various States. Applications from agents or brokers are forwarded to a servicing company designated as fiscal agent by FEMA. Upon receipt and examination of the application and required premium, the servicing company will issue the appropriate Federal flood insurance policy.

The following FEMA forms are used to collect the information needed for NFIP policies to be issued and to accommodate the changing insurance needs of policyholders:

FEMA Form 086-0-1, Flood Insurance Application - This form is used to obtain building and/or contents coverage for dwellings and general property. The form is also used to apply for a Residential Condominium Building Association Policy (RCBAP), which provides flood insurance coverage on a single policy for all residential condo units in a condominium building.

The application provides basic information concerning building type and occupancy, location and type of contents, date of construction or substantial improvement, amounts of coverage desired, flood zone, community number, and so forth, necessary for any NFIP policy to be issued. The application also provides detailed underwriting information for risks located in Special Flood Hazard Areas (SFHA) which are to be rated based on information pertaining to building elevations, enclosure construction and size (if any), use of any enclosed area, types of machinery and/or equipment located in any enclosed area, and so forth. (The information provided expands on the information provided on the Elevation Certificate: however, the Application cannot be used in lieu of an elevation certificate.)

FEMA Form 086-0-2, Flood Insurance Cancellation/Nullification Request Form - The form is signed by the insured (except for reason of non-payment of premium or ineligibility for coverage) and submitted to effect either a cancellation or nullification of a NFIP policy.

FEMA Form 086-0-3, Flood Insurance General Change Endorsement - This form is used to amend existing policy data shown on the policy Declarations Page. Following receipt and processing of the endorsement form, a Revised Declarations Page showing the requested changes is generated.

FEMA Form 086-0-4, V-Zone Risk Factor Rating Form and Instructions - This form provides certified information concerning the building site, the building support system and other construction details, related to the building's resistance to wind and wave action, which is used to determine the risk's eligibility for lower flood insurance rates because of superior ability to withstand the force of coastal flooding wave action.

FEMA Form 086-0-5, Flood Insurance Preferred Risk Policy and Newly Mapped Application - This form is the application used to obtain flood insurance coverage for risk's located in B, C, and X Zones (zones designated as being moderately to minimally at risk from flooding) at lower premiums. This form is also used to apply for lower-cost coverage for properties that have been recently remapped from B, C, and X Zones into higher-risk Special Flood Hazard Areas, which qualify for rating using the Newly Mapped rates.

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.

Electronic versions of Flood Insurance Policy Forms have been developed and can be used in lieu of the paper forms. When a registered insurance agent/agency wishes to submit an NFIP policy form electronically, he/she goes to the <https://www.nfipservices.com/> web site. He/she selects the transaction desired and will then be prompted to fill in the information required which is transmitted electronically. Necessary supporting

documentation may also be submitted along with the form in an electronic format, such as a PDF file.

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.

This information is unique for this program and is not collected anywhere else. There is only one application required per structure to obtain flood insurance.

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

This information collection does not have an impact on small businesses or other small entities.

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

Without this collection, the NFIP could not operate and could not provide necessary flood insurance coverage to property owners in communities participating in the NFIP. This would result in FEMA's inability to meet mandates required by law.

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

(a) Requiring respondents to report information to the agency more often than quarterly.

There are no requirements for respondents to report information to the agency more often than quarterly.

(b) Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

There are no requirements for respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

(c) Requiring respondents to submit more than an original and two copies of any document.

There are no requirements for respondents to submit more than an original and two copies of any documents.

(d) Requiring respondents to retain records, other than health,

medical, government contract, grant-in-aid, or tax records for more than three years.

There are no requirements to respondents to retain records for more than three years.

(e) 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.

There is no statistical survey involved with this collection of information.

(f) Requiring the use of a statistical data classification that has not been reviewed and approved by OMB.

There are no requirements to use statistical data classification that has not been reviewed and approved by OMB.

(g) 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.

There is no pledge of confidentiality that is not supported by authority established in statute or regulation for this information collection.

(h) Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

There are no requirements for respondents to submit proprietary trade secret, or other confidential information for this collection.

8. Federal Register Notice:

a. Provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice 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. Specifically address comments received on cost and hour burden.

A 60-day Federal Register Notice inviting public comments was published on [March 27, 2016 at 81 FR 14459](#). [No comments were received.](#)

A 30-day Federal Register Notice inviting public comments was published on [November 23, 2016 at 81 FR 84603](#). [No comments were received.](#)

b. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

The Flood Insurance Producer National Committee (FIPNC), which is made up of non-government professionals involved with the NFIP, and representatives from the Insurance Institute for Business & Home Safety (IBHS), an independent, nonprofit, scientific and educational organization wholly supported by the property insurance industry, meet regularly with government officials from FIMA to discuss any aspects of the NFIP that are of concern to them. This information collection, including the forms used, is open to FIPNC and IBHS as a subject of discussion if they so choose. It is FIMA's practice to solicit comments from these groups and other NFIP stakeholders before any changes are made to the NFIP Policy Forms.

In addition, the NFIP program personnel frequently discuss the NFIP Policy Forms at meetings with other involved users; e.g., insurance agents, insurance company officials, mortgage lenders, surveyors, engineers, and others.

In October 2014 an NFIP Policy Forms Workgroup was formed to review the policy forms and make suggestions for their improvement. The workgroup consisted of FIMA staff and representatives from FIPNC, IBHS, and the NFIP Direct Servicing Agent. Many of the changes to the FEMA Forms 086-0-1 (Application), 086-0-2 (Cancellation), 086-0-3 (Endorsement), and 086-0-5 (Preferred Risk Policy and Newly Mapped Application) in this submission are the direct result of the efforts of this workgroup. The remainder of the changes were made in order to comply with the provisions the Biggert-Water Flood Insurance Reform Act of 2012 (BW-12) and the Homeowner Flood Insurance Affordability Act of 2014 (HFIAA), as noted in Question 1 above.

c. Describe consultations with representatives of those from whom information is to be obtained or those who must compile records. Consultation should occur at least once every three years, even if the collection of information activities is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

In October 2014 an NFIP Policy Forms Workgroup was formed to review the policy forms and make suggestions for their improvement. The workgroup consisted of FIMA staff and representatives from FIPNC, IBHS, and the NFIP Direct Servicing Agent. Many of the changes to the FEMA Forms 086-0-1 (Application), 086-0-2 (Cancellation), 086-0-3 (Endorsement), and 086-0-5 (Preferred Risk Policy and Newly Mapped Application) in this submission are the direct result of the efforts of this workgroup. The remainder of the changes was made in order to comply with the provisions the Biggert-Water Flood Insurance Reform Act of 2012 (BW-12) and the Homeowner Flood Insurance Affordability Act (HFIAA), as noted in Question 1 above.

The changes recommended and adopted by the workgroup and those required to comply with the provisions of BW-12 and HFIAA are reflected in the revisions of the FEMA Forms 086-0-1 (Application), 086-0-2 (Cancellation), 086-0-3 (Endorsement), and 086-0-5 (Preferred Risk Policy and Newly Mapped Application), which are submitted for approval with this submission.

These changes do not change the paperwork burden associated with the forms since there is no significant net change to the information required to be collected on the form, i.e., some items have been added, others have been removed.

FIMA program personnel discuss FEMA Form 086-0-4 (V-Zone Risk Factor Rating Form) at meetings with involved users; e.g., engineers, architects. FIMA worked very closely with the engineers and architects during the development process. In addition, approximately 10 engineers and architects in different parts of the United States were involved in reviewing the form.

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

FEMA does not provide payments or gifts to respondents in exchange for a benefit sought.

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

FEMA does not disclose the information collected except to the servicing office acting as the government's fiscal agent, to routine users, to the insured's agent of record, and mortgagee listed on the flood insurance policy. The NFIP computer system security plan complies with the Computer Security Act, OMB Circulars A-123, A-127, and A-130. The NFIP Servicing Agent computer system has a protection and control of the data maintained in the system.

A System of Records Notice (SORN), National Flood Insurance Program Files System, dated December 19, 2008, Volume 73, Number 245, pages 77747-77750 has been completed. A Privacy Impact Assessment (PIA), National Flood Insurance Program Policy Forms, DHS/FEMA/PIA-011 was approved on October 12, 2012.

11. Provide additional justification for any question 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.

There are no questions of a sensitive nature necessary required from respondents.

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

a. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated for each collection instrument (separately list each instrument and describe information as requested). Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desired. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

FEMA Form 086-0-1 (Application) is completed by an estimated 29,550 property owners. The average burden per response is .2 hours (12 minutes) and the total annual burden hours are 5,910.

FEMA Form 086-0-2 (Cancellation) is completed by an estimated 40,890 property owners. The average burden per response is .125 hours (7.5 minutes) and the total annual burden hours are 5,111.

FEMA Form 086-0-3 (Endorsement) is completed by an estimated 510,402 property owners. The average burden per response is .15 hours (9 minutes) and the total annual burden hours are 76,560.

FEMA Form 086-0-4 (V-Zone Risk Factor Rating Form) is completed by an estimated 10 architects or engineers. The average burden per response is 6.5 hours and the total annual burden hours are 65.

FEMA Form 086-0-5 (Preferred Risk Policy and Newly Mapped Application) is completed by an estimated 20,215 property owners. The average burden per response is 0.1667 hours (10 minutes) and the total annual burden hours are 3,370.

b. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.

c. Provide an estimate of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. NOTE: The wage-rate category for each respondent must be multiplied by 1.4 and this total should be entered in the cell for “Avg. Hourly Wage Rate”. The cost to the respondents of contracting out or paying outside parties for information collection activities should not be included here. Instead this cost should be included in Item 13.

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
Individual and Household, Business or other for profit, Not-for-profit institutions, Farms, State, local, or Tribal Government	Flood Insurance Application / FEMA Form 086-0-1	29,550	1	29,550	.2 Hours (12 Minutes)	5,910	\$31.79	\$187,879
Individual and Household, Business or other for profit, Not-for-profit institutions, Farms, State, local, or Tribal Government	Flood Insurance Cancellation / Nullification Request Form / FEMA Form 086-0-2	40,890	1	40,890	.125 Hours (7.5 Minutes)	5,111	31.79	162,479
Individual and Household, Business or other for profit, Not-for-profit institutions, Farms, State, local, or Tribal Government	Flood Insurance General Change Endorsement / FEMA Form 086-0-3	510,402	1	510,402	.15 Hours (9 Minutes)	76,560	31.79	2,433,842
Business or other for profit	V-Zone Risk Factor Rating Form and Instructions / FEMA Form 086-0-4	10	1	10	6.5 Hours (390 Minutes)	65	51.25	3,331
Individual and Household, Business or other for profit, Not-	Flood							

for-profit institutions, Farms, State, local, or Tribal Government	Insurance Preferred Risk Policy and Newly Mapped Application / FEMA Form 086-0-5	20,215	1	20,215	.1667 Hours (10 minutes)	3,370	31.79	107,132
Total		601,067		601,067		91,016		\$2,894,663

- Note: The “Avg. Hourly Wage Rate” for each respondent includes a 1.4 multiplier to reflect a fully-loaded wage rate.
- “Type of Respondent” should be entered exactly as chosen in Question 3 of the OMB Form 83-I

Instruction for Wage-rate category multiplier: Take each non-loaded “Avg. Hourly Wage Rate” from the BLS website table and multiply that number by 1.4. For example, a non-loaded BLS table wage rate of \$42.51 would be multiplied by 1.4, and the entry for the “Avg. Hourly Wage Rate” would be \$59.51.

According to the U.S. Department of Labor, Bureau of Labor Statistics website (www.bls.gov) the wage rate category for All Workers (property owners of various occupations), is estimated to be \$22.71 per hour and adjusting by the 1.4 multiplier equals a rate of \$31.79; therefore, the estimated burden hour cost to respondent property owners is estimated to be \$2,891,301 annually.

According to the U.S. Department of Labor, Bureau of Labor Statistics website (www.bls.gov) the wage rate category for Architects and Engineers is estimated to be \$35.02 per hour and adjusting by the 1.4 multiplier equals a rate of \$51.25; therefore, the estimated burden hour cost to respondent architects and engineers is estimated to be \$3,331 annually.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. (Do not include the cost of any hour burden shown in Items 12 and 14.)

The cost estimates should be split into two components:

a. Operation and Maintenance and purchase of services component. These estimates should take into account cost associated with generating, maintaining, and disclosing or providing information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred.

b. Capital and Start-up-Cost should include, among other items, preparations for collecting information such as purchasing computers and software, monitoring sampling, drilling and testing equipment, and record storage facilities.

Annual Cost Burden to Respondents or Record-keepers

Data Collection Activity/Instrument	*Annual Capital Start-Up Cost (investments in overhead, equipment and other one-time expenditures)	*Annual Operations and Maintenance Cost (such as recordkeeping, technical/professional services, ect.)	Annual Non-Labor Cost (expenditures on training, travel and other resources)	Total Annual Cost to Respondents
V-Zone Risk Factor Rating Form and Instructions / FEMA Form 086-0-4	0	\$6,500	0	\$6,500
Total	0	\$6,500	0	\$6,500

The cost to the property owner (i.e., applicant for flood insurance for whose building the V-Zone Risk Factor Rating Form FEMA 086-0-4 is being submitted) is estimated to be \$650 (6.5 hrs. x \$100/hr.) paid to the private sector professional (architect/engineer) for completing the V-Zone Risk Factor Rating Form. The total estimated cost associated with Form FEMA 086-0-4, based on an average of 10 respondents x an average cost of \$650 per V-Zone Risk Factor Rating Form, is estimated to be approximately \$6,500.

Note: There is no cost to property owners to submit FEMA Forms 086-0-1, 086-0-2, 086-0-3, and 086-0-5.

14. Provide estimates of annualized cost to the federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing and support staff), and any other expense that would have been incurred without this collection of information. You may also aggregate cost estimates for Items 12, 13, and 14 in a single table.

Annual Cost to the Federal Government

Item	Cost (\$)
Contract Costs [expenses directly supporting the processing of the forms, including underwriting, customer service, and data entry]	\$9,750,000
Staff Salaries* [Staff Salaries*: Two GS-12; Two GS-13; Two GS 14 spending approximately 1.9% of time annually analyzing NFIP forms to determine if any changes are needed and responding to program changes and program experiences: \$622,262 (total of annual salaries) x 1.9% x 1.4 (wage rate multiplier) = \$16,551. (See Note 2 below for breakdown of cost)]	\$ 16,551
Facilities [annual storage cost for the forms]	\$ 660
Computer Hardware and Software [cost of equipment annual lifecycle]	\$ 0
Equipment Maintenance [cost of annual maintenance/service agreements for equipment]	\$ 0
Travel	\$ 0
Printing [10,000 data collection instruments annually]	\$ 4,679
Postage [13,224 data collection instruments x \$0.81 average postage]	\$ 10,711
Other	\$ 0
Total	\$ 9,782,601

* Note: The "Salary Rate" includes a 1.4 multiplier to reflect a fully-loaded wage rate.

Note 2: Federal Employees are estimated to spend a total of 200 hours annually (or 1.9% of their time) in reviewing FEMA Forms 086-0-1, 086-0-2, 086-0-3, 086-0-4, and 086-0-5, for an annual approximate cost of \$11,822 x 1.4 (wage rate multiplier) = \$16,551 in Staff Salary. The approximate cost is determined as follows:

The number and grades and annual cost of each of these Federal Employees reviewing the forms are estimated as follows:

- Two GS-12s, each paid \$86,564 annually, each spending about 34 hours a year or 1.9% percent of their time annually reviewing certificates, results in an approximate cost of \$3,289 per year. $\$3,289 \times 1.4$ (wage rate multiplier) = \$4,605.
- Two GS-13s, each paid \$102,932 annually, each spending about 34 hours a year or 1.9% percent of their time annually reviewing certificates, results in an approximate cost of \$3,911 per year. $\$3,911 \times 1.4$ (wage rate multiplier) = \$5,475.
- Two GS-14s, each paid \$121,635 annually, each spending about 34 hours a year or 1.9% percent of their time annually reviewing certificates, results in an approximate cost of \$4,622 per year. $\$4,622 \times 1.4$ (wage rate multiplier) = \$6,471.

Total Staff Salaries = \$4,605 (for GS12s) + \$5,475 (for GS13s) + \$6,471 (for GS14s) = \$16,551.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I in a narrative form. Present the itemized changes in hour burden and cost burden according to program changes or adjustments in Table 5. Denote a program increase as a positive number, and a program decrease as a negative number.

A "Program increase" is an additional burden resulting from a federal government regulatory action or directive. (e.g., an increase in sample size or coverage, amount of information, reporting frequency, or expanded use of an existing form). This also includes previously in-use and unapproved information collections discovered during the ICB process, or during the fiscal year, which will be in use during the next fiscal year.

A "Program decrease", is a reduction in burden because of: (1) the discontinuation of an information collection; or (2) a change in an existing information collection by a Federal agency (e.g., the use of sampling (or smaller samples), a decrease in the amount of information requested (fewer questions), or a decrease in reporting frequency).

"Adjustment" denotes a change in burden hours due to factors over which the government has no control, such as population growth, or in factors which do not affect what information the government collects or changes in the methods used to estimate burden or correction of errors in burden estimates.

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
Flood Insurance Application / FEMA Form 086-0-1				1,066	5,910	4,844

Flood Insurance Cancellation / Nullification Request Form / FEMA Form 086-0-2				2,718	5,111	2,393
Flood Insurance General Change Endorsement / FEMA Form 086-0-3				3,807	76,560	72,753
V-Zone Risk Factor Rating Form and Instructions / FEMA Form 086-0-4				65	65	0
Flood Insurance Preferred Risk Policy Application / FEMA Form 086-0-5				612	3,370	2,758
Total(s)				8,268	91,016	82,748

Explain:

FEMA Form 086-0-1 (Application) – The increase in burden hours is due to a change in the number of forms submitted and the inclusion of forms submitted electronically via the NFIP Direct Servicing Agent web site at <https://www.nfipservices.com/>. Previously, only the “paper” forms submitted by mail or fax were reported. The number of submitted forms reported has increased from 5,330 to 29,550. The number of burden hours has increased from 1,066 to 5,910. There are proposed formatting changes and changes to the information being collected to comply with the Biggert-Water Flood Insurance Reform Act of 2012 (BW-12) and the Homeowner Flood Insurance Affordability Act of 2014 (HFIAA). The changes do not change the paperwork burden associated with the forms since there is no significant net change to the information required to be collected on the form, i.e., some items have been added, others have been removed.

FEMA Form 086-0-2 (Cancellation) – The increase in burden hours is due to a change in the number of forms submitted and the inclusion of forms submitted electronically via the NFIP Direct Servicing Agent web site at <https://www.nfipservices.com/>. Previously, only the “paper” forms submitted by mail or fax were reported. The number of submitted forms reported has increased from 21,743 to 40,890. The number of burden hours has increased from 2,718 to 5,111. There are no changes to the information being collected. However, there are proposed formatting changes to the form.

FEMA Form 086-0-3 (Endorsement) – The increase in burden hours is due to a change in the number of forms submitted and the inclusion of forms submitted electronically via the NFIP Direct Servicing Agent web site at <https://www.nfipservices.com/>. Previously, only the “paper” forms submitted by mail or fax were reported. The number of submitted forms reported has increased from 25,377 to 510,402. The number of burden hours has increased from 3,807 to 76,560. There are proposed formatting changes and changes to the information being collected to comply with BW-12 and HFIAA. The changes do not change the paperwork burden associated with the forms since there is no significant net

change to the information required to be collected on the form, i.e., some items have been added, others have been removed.

FEMA Form 086-0-4 (V-Zone Risk Factor Rating Form) – There is no change in the number of burden hours. The number of forms submitted has remained constant 10. The burden hours have remained constant at 65.

FEMA Form 086-0-5 Preferred Risk Application) – The increase in burden hours is due a change in the number of forms submitted and the inclusion of forms submitted electronically via the NFIP Direct Servicing Agent web site at <https://www.nfipservices.com/>. Previously, only the “paper” forms submitted by mail or fax were reported. The number of submitted forms reported has increased from 3,662 to 20,215. The number of burden hours has increased from 612 to 3,370. There are proposed formatting changes and changes to the information being collected to comply with BW-12 and HFIAA. The changes do not change the paperwork burden associated with the forms since there is no significant net change to the information required to be collected on the form, i.e., some items have been added, others have been removed.

Itemized Changes in Annual Cost Burden						
Data collection Activity/Instrument	Program Change (cost currently on OMB Inventory)	Program Change (New)	Difference	Adjustment (cost currently on OMB Inventory)	Adjustment (New)	Difference
Flood Insurance Application / FEMA Form 086-0-1 Flood Insurance Cancellation / Nullification Request Form / FEMA Form 086-0-2 Flood Insurance General Change Endorsement / FEMA Form 086-0-3 Flood Insurance Preferred Risk Policy and Newly Mapped Application / FEMA Form 086-0-5				\$0	0	0
V-Zone Risk Factor Rating Form and Instructions / FEMA Form 086-0-4 (including reference to the Coastal Construction Manual CD)				\$6,500	\$6,500	0
Total(s)				\$6,500	\$6,500	\$0

Explain:

FEMA Forms 086-0-1 (Application), 086-0-2 (Cancellation), 086-0-3 (Endorsement), 086-0-5 Preferred Risk Policy and Newly Mapped Application – There is no change to the cost burden; there is no cost to the respondent to submit these forms. The only cost is the amount of the insurance premium received by the NFIP Servicing Agent; it is not a cost to the respondents due to the data collection activity.

FEMA Form 086-0-4 (V-Zone Risk Factor Rating Form) – The cost burden has remained the same because there is no change in usage, i.e., the number of forms submitted has remained constant at 10.

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.

There are no outline plans for tabulation and publication of data for this information collection.

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

This collection does not seek approval to not display 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 Form 83-I.

This collection does not seek exception to “Certification for Paperwork Reduction Act Submissions”. Statistical Survey methodology "is not applicable."

B. Collections of Information Employing Statistical Methods.

THERE IS NO STATISTICAL METHODOLOGY INVOLVED IN THIS COLLECTION.