

Justification for Nonmaterial/Non-substantive Change

The Department is hereby submitting a nonmaterial/non-substantive change request to the Office of Management and Budget (OMB) regarding a modification made by the Department's Final Conflict of Interest Rule to the information collection request (ICR) contained in the Department's Best Interest Contract Exemption. The exemption was approved by OMB under control number 1210-0156 and is scheduled to expire on June 30, 2019.

The information collections in the Department's Best Interest Contract Exemption contain start-up costs, which were described as Year 1 costs in the original ICR, and ongoing costs, which were described as Year 2 and Year 3 costs in the original ICR. The Department's Final Rule extends the transition period through July 1, 2019. This rule has the effect of making the Year 2 and Year 3 costs inactive for the remainder of the existing approval of the ICR and spreads the Year 1 costs across the full existing three year approval period.

The modification to the ICR is deregulatory, because it eliminates the requirement to produce a total of 144.6 million disclosures during the second and third years of the ICR's approval period resulting in a total hour burden reduction of approximately 5.7 million hours (at an equivalent cost of \$741.4 million) and a total cost savings of approximately \$1.1 billion during the second and third years of the ICR approval period only. This savings produces an annualized reduction in the number of responses over the three year period shown in ROCIS of 48,200,000 disclosures (due to rounding), an annualized reduction of the hour burden of 1,891,000 hours (due to rounding), and a \$377,200,000 reduction to the cost burden (due to rounding).

For purposes of ROCIS database entries, the burden has been reduced over the three-year approval period to 11,300,000 responses (rounded), 709,000 hours (rounded), and \$822,800,000 (rounded) annually.