SUPPORTING STATEMENT
Report of Issuance of Policy
1240-0004 (LS-570)

A. Justification.

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collections. Attach a copy of the appropriate section of each statute and of each regulation mandating or authorizing the collection of information.

The Division of Longshore and Harbor Workers’ Compensation (DLHWC) administers the Longshore and Harbor Workers’ Compensation Act. This Act provides benefits to workers injured in maritime employment on the navigable waters of the United States or in an adjoining area customarily used by an employer in loading, unloading, repairing, or building a vessel. In addition, several acts extend Longshore Act coverage to certain other employees.

The Longshore and Harbor Workers' Compensation Act, at 33 U.S.C. §932(a) requires each employer to secure its liabilities under the Act either by purchasing a policy of insurance from an authorized carrier or by qualifying as a self-insurer. The regulations at 20 CFR §703.116 require each authorized carrier to report each policy issued by the carrier to an employer. The information is necessary (i) to ensure compliance by employers; (ii) to bind the carrier to the liabilities of the employer under 20 CFR §703.118; and (iii) so that the District Offices can identify the correct carrier for claims to ensure prompt payment of compensation to injured workers.

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.

The LS-570 will be completed by the insurance carrier and forwarded to the Department for review. DLHWC staff review the completed LS-570 to identify those operators who have secured insurance for payment of Longshore benefits as required by 20 CFR 703.116.

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.

In accordance with the Government Paperwork Elimination Act, the form is electronically accessible, fillable and printable. The form is available online at http://www.dol.gov/owcp/dlhwc/ls-570.pdf.

Most respondents are now able to use the National Council for Compensation Insurance as their agent to report policies electronically at the same time that they report similar information to the several states. Other respondents in some states do not have that capability and still need to submit the actual form to the District Offices.

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.

There is no similar approved information collection form used by DLHWC or the Federal Government for insurance carriers to report coverage of employers.

5. If the collection information impacts small businesses or other small entities, describe any methods used to minimize burden.

This collection of information does not involve small businesses.

6. Describe the consequence of 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.

This information is collected on an annual basis because 20 CFR 703.112 requires that policies be issued for at least one year and insurance carriers generally issue policies annually. If this information were not collected, DLHWC would be unable to identify employers who fail to secure their potential liabilities under the Act and take appropriate action to ensure they comply.

7. Explain any special circumstances required in the conduct of this information collection.

There are no special circumstances for this information collection.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency'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 agency in response to these comments.

No outside consultants were contacted concerning the use of the LS-570. The form has been in use since 1927, and there has been ample time to voice any complaints regarding its use.

A Federal Register Notice inviting public comment was published on December 28, 2018 (83FR 67361). No comments were received.

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

Respondents do not receive gifts or payments to furnish the requested information.

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

This information collection is not covered by the Privacy Act.

11. Provide additional justification for any questions 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 on this form.

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

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how**

the burden was estimated. Unless directed to do so, agencies should not make special surveys to obtain information on which to base burden estimates. Consultation with a sample of potential respondents is desirable. If the burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated burden and explain the reason for the variance. Generally, estimates should not include burden hours for customary and usual business practices. Provide estimates of the hour burden of the collection of information.

The public burden estimate of this information collection is approximately 25 hours. This burden is based on approximately 1 minute for retrieving the information and completing each of the approximately 1,500 LS-570 forms received each year. This process is now almost fully automated. The majority of the proof of coverage information is now provided via electronic feed. There are about 400 insurance carriers that issue approximately 1,500 policy forms total.

1,500 forms X 1 minute = 1,500 minutes
1,500 minutes ÷ 60 = 25 hours

The annualized burden cost to the respondents has been estimated to be approximately $472.00. This estimate is derived from use of the National Average Weekly Wage (NAWW) as computed by the Bureau of Labor Statistics and which is based on the national average earnings of production or nonsupervisory workers on private non-agriculture payrolls. 33 USC 908(b) of the Longshore and Harbor Workers’ Compensation Act mandates the use of the NAWW in setting the maximum and minimum compensation rates under the Act and in determining the amount of annual adjustments due to permanent total disability and death beneficiaries. Since it is not possible to determine the specific occupation or wages for each person who will provide the information covered by this clearance, and wages can vary considerably from person to person depending on duties and length of service, use of a national average weekly wage covering all occupations appears reasonable under the circumstances.

The current applicable NAWW is $755.38. The computations are therefore as follows:

$755.38 ÷ 40 hrs = $18.88/hr. x 25 hrs. = $472.00 annualized burden cost.

13. Annual Costs to Respondents (capital/start-up & operation and maintenance).

Most respondents are able to submit their forms electronically thru the National Council on Compensation Insurance (NCCI) data feed. The only respondent costs involve the few respondents that will send their forms by mail. We estimate that only 5 respondents (submitting approximately 5 forms annually each = 25 forms) will have to mail their forms for a total mailing cost of $14.50.

25 forms x $.58 postage ($.55 postage and $.03 envelope charge) = $14.50

14. Provide estimates of annualized cost to the Federal government.

The estimated total cost to the Federal Government for processing these 1,500 forms is approximately $990.00. The cost is figured as follows:

One data entry clerk (GS-5, step8) earning $19.80 per hour spending about 2 minutes reviewing the form, entering the data into the computer system, and filing the form.

1,500 forms X 2 minutes = 3,000 minutes ÷ 60 = 50 hours
50 hours X $19.80 per hour = $990 Total Government Cost

15. Explain the reasons for any program changes or adjustments

The burden hours for this information collection have remained unchanged from the previous submission.

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 information, completion of report, publication dates, and other actions.

There are no plans to publish this collection of information.

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.

This ICR does not seek a waiver from the requirement to display the expiration date.

18. Explain each exception to the certification statement in ROCIS.

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

Statistical methods are not used in these collections of information.