

April 5, 2021

## 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, and 086-0-4,  
and FEMA Forms 086-0-1T, 086-0-2T, 086-0-3T, and 086-0-5T**

### 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.**

Congress created the National Flood Insurance Program (NFIP) through enactment of the National Flood Insurance Act of 1968 (NFIA) (Title XIII of Pub. L. 90-448, 82 Stat. 476), found at 42 U.S.C. 4001 *et seq.* The NFIP is a Federal program enabling property owners in participating communities to purchase insurance as a protection against flood losses in exchange for State and community floodplain management requirements that reduce the risk of future flood damages. Communities participate in the NFIP based on an agreement between the community and FEMA. If a community adopts and enforces a floodplain management ordinance to reduce future flood risk to new construction in floodplains, FEMA will make flood insurance available within the community as a financial protection against flood losses. Accordingly, the NFIP is comprised of three key activities: flood insurance, floodplain management, and flood hazard mapping.

The NFIA requires that 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. These NFIA requirements aim to ensure 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, and enclosures.

The NFIA also provides for various discounted premium rates. Certain buildings built before the effective date of the FIRM for the community, or before December 31, 1974, whichever is later, are eligible for pre-FIRM discounted premium rates. *See* 42 U.S.C. 4014(a)(2). FEMA must phase-out these discounts at various rates based on a building's occupancy use and loss history. *See* 42 U.S.C. 4014(a)(2)(A)-(E). FEMA must also provide discounted rates to buildings newly-mapped into Special Flood Hazard Areas. 42 U.S.C. 4015(i).

FEMA, through its direct servicing agent, NFIP Direct, uses the collected information acquired for the aforementioned actuarial rates to determine both eligibility for an NFIP flood insurance policy and the appropriate flood insurance premium. FEMA enters the information collected in these forms and accompanying supporting documentation into the NFIP Direct System.

FEMA now proposes eliminating FF 086-0-4, V-Zone Risk Factor Rating Form, from this information collection. FEMA's records show there are no active policies currently utilizing this form for rating and the agency does not anticipate need for this form in the future.

FEMA also proposes changes to this information collection in order to implement a revised risk rating methodology that will apply to all policies issued or renewed on or after October 1, 2021. This revised methodology will require FEMA to collect new information necessary to sell and service flood insurance policies. However, the revised methodology will also substantially decrease the overall information collection burden on the public by using data from sources other than policyholders. As a result of this revised methodology, FEMA proposes to modify FEMA Forms 086-0-1, 086-0-2, and 086-0-3.

During the transition to the revised rating methodology, FEMA will still need to maintain the existing forms in this information collection. As a result, FEMA proposes to add FEMA Forms 086-0-1T, 086-0-2T, 086-0-3T, and 086-0-5T to this information collection. These forms are substantially unchanged from their counterparts in the existing information collection. Following the complete transition to the revised risk rating methodology, FEMA will discontinue the use of these forms.

**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 a 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 necessary to issue NFIP policies 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 and foundation type, occupancy, structural variables, building replacement cost, date of construction or substantial improvement, amounts of coverage desired, community map information, and other information, necessary for any NFIP policy to be issued.

**FEMA Form 086-0-1T, Flood Insurance Application (Temporary)** - 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 condominium units in a condominium building.

The application provides basic information concerning building and foundation type, occupancy, date of construction or substantial improvement, amounts of coverage desired, community map information, and other information 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 other information necessary for any NFIP policy to be issued. (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 policyholder or insurer submits this form to cancel or nullify an existing NFIP policy for policies written under the revised risk rating methodology.

**FEMA Form 086-0-2T, Flood Insurance Cancellation/Nullification Request Form (Temporary)** - The policyholder or insurer submits this form to cancel or nullify an existing NFIP policy for policies written under the existing risk rating methodology. FEMA plans to discontinue use of this form after fully transitioning to its revised risk rating methodology.

**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 086-0-3T, Flood Insurance General Change Endorsement (Temporary)** - This form is used to amend existing policy data shown on the policy Declarations Page under the existing risk rating methodology. Following receipt and processing of the endorsement form, NFIP Direct issues a revised declarations page showing the requested changes. FEMA plans to discontinue use of this form after fully transitioning to its revised risk rating methodology.

**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 has eliminated this form from the information collection because there are no current policies currently rated using this form and FEMA does not expect need for this form in the future.

**FEMA Form 086-0-5(T), Flood Insurance Preferred Risk Policy and Newly Mapped Application** - This form is the application used to obtain flood insurance coverage for risks 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.

The revised rating methodology will use FEMA Form 086-0-1, Flood Insurance Application for all policies.

FEMA plans to discontinue use of this form after fully transitioning to its revised risk rating methodology because FEMA Form 086-0-1, Flood Insurance Application, will be used for all policies.

**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.**

Registered insurance agents/agencies can use electronic versions of Flood Insurance Policy Forms through the NFIP Direct website in lieu of paper forms. The agent can log into the NFIP Direct's secure website at <https://www.nfipdirect.fema.gov/Membership/SignIn/?ReturnUrl=%2f..> Agents select 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 to this program and is not collected elsewhere. 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 for 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 December 16, 2020. **No comments were received.**

A 30-day Federal Register Notice inviting public comment was published on April 5, 2021. **The comment period is still pending.**

**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.**

FEMA routinely invites stakeholder input on the policy forms and any other program documentation. FEMA maintains an underwriting mailbox through the NFIP Direct that our stakeholders can contact to ask questions or provide comments.

FEMA representatives also meet quarterly with the Flood Insurance Producer National Committee (FIPNC) and representatives from the Insurance Institute for Business & Home Safety (IBHS) to discuss any aspects of the NFIP that are of concern to them. The FIPNC is comprised of non-government professionals involved with the NFIP and the IBHS is an independent, non-profit, scientific and educational organization wholly supported by the property insurance industry. This information collection, including the forms used, is open to FIPNC and IBHS as a subject of discussion if they so choose.

In addition, NFIP 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.

**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.**

FEMA staff meet at least semi-annually with a working group to discuss recommended changes to our guidance documentation, specifically the NFIP Flood Insurance Manual, which includes information for the use of the policy forms. Input includes suggestions received from the NFIP Direct, which works directly with agents who complete the forms on behalf of policyholders; WYO insurance companies, agents, and policyholders. We also conduct monthly calls with our WYO industry partners that include a question and answer period, during which they can bring up any concerns about the policy forms.

**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 limits the disclosure of the information collected to the servicing office acting as the government's fiscal agent, to routine users, to the insured's agent of record, and the mortgagee listed on the flood insurance policy. The NFIP Direct system security plan complies with the Computer Security Act, OMB Circulars A-123, A-127, and A-130. The NFIP Direct Servicing Agent computer system has protection and control of the data maintained in the system.

A System of Records Notice (SORN), DHS/ FEMA-003 – National Flood Insurance Program Files System of Records Notice 79 Fed. Reg. 28747 (May 19, 2014) has been completed. The NFIP Direct System is currently covered by DHS/FEMA/PIA-048 National Flood Insurance Program (NFIP) Direct Servicing Agent (NFIP Direct) and DHS/FEMA/PIA-050 NFIP PIVOT System, October 31, 2017.

**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 requiring response 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 086-0-1/086-0-1T (Application) is completed by an estimated 17,593 property owners. The average burden per response for 086-01T is 0.2 hours (12 minutes) and the total annual burden hours are 3,519.

FEMA Form 086-0-2/086-0-2T (Cancellation) is completed by an estimated 30,964 property owners. The average burden per response is 0.125 hours (7.5 minutes) and the total annual burden hours are 3,871.

FEMA Form 086-0-3/086-0-3T (Endorsement) is completed by an estimated 323,865 property owners. The average burden per response is 0.15 hours (9 minutes) and the total annual burden hours are 48,580.

FEMA Form 086-0-4 (V-Zone Risk Factor Rating Form) is being removed from this collection.

FEMA Form 086-0-5T (Preferred Risk Policy and Newly Mapped Application) is completed by an estimated 37,259 property owners. The average burden per response is 0.1667 hours (10 minutes) and the total annual burden hours are 6,210.

The new risk rating methodology will eliminate the need for 086-0-5T; therefore, FEMA expects use of this form to be temporary until October 1, 2021.

**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 1.46 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 No.	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, business, non-profit, State, local, or Tribal Government	Flood Insurance Application/ FEMA Form 086-0-1/T	17,593	1	17,593	0.20	3,519	\$37.55	\$132,138
Individual, business, non-profit, State, local, or Tribal Government	Flood Insurance Cancellation/ Nullification Request Form / FEMA Form 086-0-2/T	30,964	1	30,964	0.125	3,871	\$37.55	\$145,356
Individual, business, non-profit, State, local, or Tribal Government	Flood Insurance General Change Endorsement / FEMA Form 086-0-3 /T	323,965	1	323,965	0.15	48,595	\$37.55	\$1,824,742
Individual, business, non-profit, State, local, or Tribal Government	Flood Insurance Preferred Risk Policy and Newly Mapped Application / FEMA Form 086-0-5/T	37,259	1	37,259	0.1667	6,211	\$37.55	\$2233,223
<b>Total</b>		<b>409,781</b>		<b>409,781</b>		<b>62,196</b>		<b>\$2,335,459</b>

**Instruction for Wage-rate category multiplier: Take each non-loaded “Avg. Hourly Wage Rate” from the BLS website table and multiply that number by 1.46<sup>1</sup>. For example, a non-loaded BLS table wage rate of \$42.51 would be multiplied by 1.46, and the entry for the “Avg. Hourly Wage Rate” would be \$62.06.**

According to the U.S. Department of Labor, Bureau of Labor Statistics<sup>2</sup>, the May 2019 Occupational Employment and Wage Estimates wage rate for All occupations (SOC 00-0000) is \$25.72. Including the wage rate multiplier of 1.46, the fully-loaded wage rate is

<sup>1</sup> Bureau of Labor Statistics, the wage multiplier is calculated by dividing total compensation for all workers of \$38.20 by wages and salaries for all workers of \$26.1717 per hour yielding a benefits multiplier of approximately 1.46. Available at <https://www.bls.gov/news.release/pdf/ecec.pdf>. Accessed November 27, 2020

<sup>2</sup> Information on the mean wage rate from the U.S. Department of Labor, Bureau of Labor Statistics is available online at: [https://www.bls.gov/oes/2019/may/oes\\_nat.htm](https://www.bls.gov/oes/2019/may/oes_nat.htm)

\$37.55 per hour. Therefore, the estimated annual burden hour cost is estimated to be \$2,335,459 (\$37.55 x 62,196 hours).

**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 costs 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.**

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

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 \$430 (6.5 hrs. x \$66.23/hr.) paid to the private sector professional (civil engineer) for completing the V-Zone Risk Factor Rating Form. Currently, there are no instances of this form on file for an in-force policy; the annual cost burden is \$0.

Note: There is no cost to property owners to submit any of the FEMA Forms currently under this information collection.

**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]	\$9,340,000
Staff Salaries <sup>1</sup> [2 GS-12 Step 5; 2 GS-13 Step 5; 1 GS-14 step 5 employees 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 ((2 x \$98,827) + (2 x \$117,516) + \$138,866 x 0.019 x 1.46 <sup>2</sup> ) = \$19,707]	\$19,707
Facilities [storage cost for forms]	\$700
Computer Hardware and Software [cost of equipment annual lifecycle]	\$0
Equipment Maintenance [cost of annual maintenance/service agreements for equipment]	\$0
Travel	\$0
<b>Total</b>	<b>\$9,360,407</b>
<sup>1</sup> Office of Personnel Management 2021 Pay and Leave Tables for the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA locality. Available online at <a href="https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/21Tables/html/DCB.aspx">https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/21Tables/html/DCB.aspx</a> . Accessed March 24, 2021.	
<sup>2</sup> Wage rate includes a 1.46 multiplier to reflect the fully-loaded wage rate.	

**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				5,910	3,519	-2,391
Flood Insurance Cancellation / Nullification Request Form / FEMA Form 086-0-2				5,111	3,871	-1,240
Flood Insurance General Change Endorsement / FEMA Form 086-0-3				76,560	48,580	-27,980
V-Zone Risk Factor Rating Form and Instructions / FEMA Form 086-0-4				65	0	65
Flood Insurance Preferred Risk Policy Application / FEMA Form 086-0-5				3,370	6,210	2,840
<b>Total(s)</b>				<b>91,016</b>	<b>62,180</b>	<b>-28,836</b>

***Explain:***

FEMA Form 086-0-1 (Application) – The decrease in burden hours is due to a change in the number of forms submitted. The number of submitted forms reported has decreased from 29,550 to 17,593. The number of burden hours has decreased from 5,910 to 3,519. There are proposed changes to the information being collected.

FEMA Form 086-0-2 (Cancellation) – The decrease in burden hours is due to a change in the number of forms submitted. The number of submitted forms reported has decreased from 40,890 to 30,964. The number of burden hours has increased from 5,111 to 3,871. However, there are proposed formatting changes to the form.

FEMA Form 086-0-3 (Endorsement) – The decrease in burden hours is due to a change in the number of forms submitted. The number of submitted forms reported has decreased from 510,402 to 323,865. The number of burden hours has decreased from 76,560 to 48,580. There are no changes to the information being collected.

FEMA Form 086-0-4 (V-Zone Risk Factor Rating Form) – This form is being eliminated because our system of record shows no instances of active policies using this form. The number of forms submitted has decreased to 0. The number of burden hours has decreased from 65 to 0.

FEMA Form 086-0-5 (Preferred Risk Application) – The increase in burden hours is due to a change in the number of forms submitted. The number of submitted forms reported has

increased from 20,215 to 37,259. The number of burden hours has increased from 3,370 to 6,210.

<b>Itemized Changes in Annual Cost Burden</b>						
<b>Data collection Activity/Instrument</b>	<b>Program Change (cost currently on OMB Inventory)</b>	<b>Program Change (New)</b>	<b>Difference</b>	<b>Adjustment (cost currently on OMB Inventory)</b>	<b>Adjustment (New)</b>	<b>Difference</b>
Flood Insurance Application / FEMA Form 086-0-1 Flood Insurance Cancellation / Nullification Request Form / FEMA Form 086-0-2				\$0	\$0	\$0
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)				\$0	\$0	0
Flood Insurance Preferred Risk Policy Application / FEMA Form 086-0-5				\$0	\$0	\$0
<b>Total(s)</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

***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 Direct 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) – This form is being eliminated because our system of record shows no instances of active policies using this form. The number of forms submitted has decreased to 0.

**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.**