

SUPPORTING STATEMENT FOR FORMS SSA-4588 & SSA-4589
YOU CAN MAKE YOUR PAYMENT BY CREDIT CARD
OMB No. 0960-0462

A. Justification

1. *Sections 205(a) and 1631(e)(1) of the Social Security Act* authorize the Commissioner of the Social Security Administration (SSA) to establish rules, regulations, and policy for administering the Social Security programs. For many years, the Federal government has been accepting credit card payments for debts owed by individuals and businesses. The Department of the Treasury, which creates the Federal government's general debt collection policy and procedures, has long encouraged the use of electronic funds transfer, including credit cards, for repaying debts. Accepting credit cards is a long-standing business practice used by other Federal agencies as well as by SSA.

2. Individuals use Forms SSA-4588 and SSA-4589 to pay debts owed SSA. Form SSA-4588 is sent out with initial overpayment notices, which inform individuals that an overpayment has been detected. Form SSA-4589 is sent to overpaid individuals who have previously been notified of their debt and who are either no longer on the rolls or who wish to enter a repayment plan with SSA. Every month until the debt is repaid these individuals receive a form SSA-4589 and a "Notice of Payment Due." Depending upon the individual's social security number, debt collection is processed by one of SSA's six Program Service Centers (PSC). Each form displays the appropriate toll-free SSA telephone number for the PSC processing the debt collection. Therefore, there are six overprinted versions for each of the two forms, which are identical except for the toll-free telephone number. This number is provided so that individual(s) can call directly to the region in which they reside. Only one copy of the forms has been submitted with this clearance package.

The Social Security number, name, address and amount charged are used to update the individual's social security record to reflect that a payment has been made on the individual's debt. The phone number is used to contact the individual if there are any questions or problems. The type of credit card, amount charged, credit card number and expiration date are used to process payment through the appropriate credit card company. The respondents are Title II beneficiaries and Title XVI recipients who have outstanding overpayments.

3. Under the agency's Government Paperwork Elimination Act plan, SSA-4588 & SSA-4589 are not currently scheduled for electronic implementation because special technology is required to process the sensitive financial information collected by these forms. However, SSA plans to make these forms available electronically. Please see the Addendum for further information regarding these plans.

4. There are other credit card forms that collect similar information to that collected on the SSA-4588 and the SSA-4589. However, each form is case or program specific often

involving different operating components and authorized by varying statutes and regulations. Therefore, SSA requires separate forms for each specific purpose.

5. This collection does not have a significant impact on a substantial number of small businesses or other small entities.
6. If this information were not collected, the Agency would not be able to participate in Treasury's Plastic Card Network, and the respondents would not have the option of paying their debts through credit cards. Also, the Agency would not be complying with the need to use more efficient methods of collecting debts, unless these forms are used. Since forms SSA-4588 and SSA-4589 are used at the discretion of the respondent to make payment by credit card, the information cannot be collected less frequently. There are no technical or legal obstacles that prevent burden reduction.
7. There are no special circumstances that would cause this information collection to be conducted in a manner that is not consistent with 5 CFR 1320.5.
8. The 60-day advance Federal Register Notice was published on June 13, 2006 at 71 FR 34180, and SSA has received no public comments. The second Notice was published on September 11, 2006, at 71 FR 53485. There have been no outside consultations with members of the public.
9. SSA provides no payment or gifts to the respondents.
10. The information requested is protected and held confidential in accordance with 42 U.S.C. 1306, 20 CFR 401 and 402, 5 U.S.C. 552 (Freedom of Information Act), 5 U.S.C. 552a (Privacy Act of 1974) and OMB Circular No. A-130.
11. The information collection does not contain any questions of a sensitive nature.
12. Approximately 60,000 respondents annually who each respond once per year are estimated for Forms SSA-4588 and SSA-4589. There are no available data on the number of monthly versus lump sum payments. The estimated 60,000 responses represent all monthly and lump sum responses received in a year's time. Estimated completion time for the form is 5 minutes. Therefore, the total burden is expected to be 5,000 hours. The total burden is reflected as burden hours, and no separate cost burden has been calculated.
13. There is no known cost burden to the respondents.
14. The annual cost to the Federal Government is approximately \$92,000. This estimate is a projection of the costs for printing and distributing the collection instrument and for collecting the information.

15. The annual hourly reporting burden has increased from 1,583 to 5,000 due to more individuals making payments by credit card. The increase in respondents had not been updated to reflect this change since 2000.
16. The results of the information collection will not be published.
17. OMB has granted SSA an exemption from the requirement that the expiration date for OMB approval be printed on its program forms. SSA produces millions of public-use forms, many of which have a life cycle longer than that of an OMB approval. SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis). This exemption was granted so that otherwise useable editions of forms would not be taken out of circulation because the expiration date had been reached. In addition, Government waste has been avoided because stocks of forms will not have to be destroyed and reprinted.
18. SSA is not requesting an exception to the certification requirements at 5 CFR 1320.9 and related provisions at 5 CFR 1320.8(b)(3).

B. Collections of Information Employing Statistical Methods

Statistical methods are not used for this information collection.