

**Supporting Statement for Form SSA-7160-F4,  
Employment Relationship Questionnaire**  
**20 CFR 404.1007**  
**OMB No. 0960-0040**

**A. Justification**

1. 

Section 205(a) of the *Social Security Act* (*the Act*) authorizes the Commissioner of Social Security to establish procedures necessary to carry out the purposes of the Act. One such purpose is the maintenance of workers' earnings records. Form SSA-7160-F4 (Employment Relationship Questionnaire) was developed to obtain information needed for determining workers' employment status; i.e., whether, under the definition of an employee found in *Section 210(j)(2)* of *the Act* and *20 CFR 404.1007* of the *Code of Federal Regulations*, a worker is an employee under the "usual common-law rules" applicable in determining the existence of an employer-employee relationship.
2. 

Form SSA-7160-F4 contains questions covering most employment situations, and the questions are pertinent to reaching a sound decision about a worker's employment status. The questions have evolved over years of practical application and study and are geared to solicit information on the existence of 20 common law factors which are pertinent to resolving employer-employee relationship issues. The respondents are individuals questioning their status as employees and their employers.
3. 

This is a low-volume form and making the collection available electronically is not cost-effective at this time. Consequently the SSA-7160-F4 was not included for electronic implementation in the Agency's Government Paperwork Elimination Act (GPEA) plan.
4. 

The nature of the information being collected and the manner in which it is collected preclude duplication. There is no other collection instrument used by SSA that collects data similar to that collected here.
5. 

While some small businesses may be asked to complete the SSA-7160-F4, the burden on them of complying has been kept to a minimum by asking for only essential information.
6. 

This information collection is required to maintain accurate earnings records for workers under the Social Security system. If the information were not collected, then those records would not be accurate. Therefore, it 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 July 31, 2006 at 71 FR 43270, and SSA has received no public comments. The second Notice was published on November 1, 2006, at 71 FR 64327. 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. Form SSA-7160-F4 will be used by an estimated 16,000 respondents. The estimated average response time is 25 minutes, for a total of 6,666 burden hours. Of those 16,000 respondents, it is estimated that 50% are Individuals and Households; 45% are Businesses; and 5% are State/Local Governments. The breakdown within the groups is as follows:

Respondent Type	Number of Respondents	Frequency of Response	Average Burden per Response	Estimated Annual Burden
Individuals	8,000	1	25 minutes	3,333
Businesses	7,200	1	25 minutes	3,000
State/Local Government	800	1	25 minutes	333
<b>Totals:</b>	<b>16,000</b>			<b>6,666</b>

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 SSA-7160-F4 has not been printed since 1997 and the form is now reproduced locally as needed. The cost burden to SSA of reproducing the form locally and collecting the information is unknown.
15. The decrease in the burden hours is due to a decrease in the use of this form. Also, SSA believes that the original estimate was inaccurate, and is now correcting that estimate.

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 Using Statistical Methods**

Statistical methods are not used for this information collection.