

**Supporting Statement for Forms SSA-7161-OCR-SM and SSA-7162-OCR-SM
Report to United States Social Security Administration by
Person Receiving Benefits for a Child or for
an Adult Unable to Handle Funds;
Report to United States Social Security Administration**

OMB No. 0960-0049

A. Justification

1. *Section 203(c) of the Social Security Act (the Act)* requires the Commissioner of Social Security to make deductions from benefits of entitled individuals who engage in remunerative activity outside the United States (U.S.) in excess of 45 hours a month and from certain other beneficiaries who fail to have in their care specified entitled child beneficiaries. *Section 203(g) of the Act* provides for the Commissioner to impose penalty deductions on benefits of individuals who fail to make timely reports of events which are cause for deductions. *Section 205(a) of the Act* empowers the Commissioner to make rules and regulations and determine an individual's continuing eligibility for benefits. The U.S. District Court for the Western District of Oklahoma ordered the Commissioner to obtain universal, mandatory annual accountings from all representative payees (*Jordan v. Heckler, Civ-79-994-W*).

Sections 205(j) and 1631(e) (1) (A) establish the requirement for the agency to set up a monitoring system for representative payees.

2. The Social Security Administration (SSA) needs the information on Forms SSA-7161-OCR-SM and SSA-7162-OCR-SM to determine the continuing entitlement to Social Security benefits and the proper benefit amounts of beneficiaries living outside the U.S. The information is also needed to determine whether payments certified to representative payees outside the U.S. have been used properly and whether the payee continues to demonstrate strong concern for the beneficiary's best interests. Forms SSA-7161-OCR-SM and SSA-7162-OCR-SM are report forms to be completed each year (or every other year, depending on the country of residence) by, or on behalf of, each beneficiary outside the U.S. On the basis of the data collected, benefits may be increased, decreased, suspended or terminated.
3. These forms are not currently scheduled for electronic implementation under the Government Paperwork Elimination Act for the following reasons:

- SSA currently minimizes the burden on the public by identifying the audience, pre-addressing the outgoing and incoming mailers and offering check block responses.
 - In order to make this form available electronically, we would have to collect information from the public to determine if they even have computer/Internet access. If they do not, we would have to offer both electronic and mail options for responding to the form-not cost effective and a drain on already limited resources.
 - The existing system for processing/scanning the foreign enforcement forms is predicated upon scanning pre-printed paper forms and makes no accommodation for forms independently printed, or electronically submitted by beneficiaries.
 - We have no system available to receive and process the information. We do not anticipate that it will be an electronic version in the future.
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. This collection does not have a significant impact on a substantial number of small businesses or other small entities.
 6. Failure to obtain this information would result in improper payments and overpayments. Therefore, this information collection cannot be conducted less frequently. Additionally, collection of the information on the SSA-7161-OCR-SM is required annually by law.
 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 March 15, 2007, at 72 FR 12244, and SSA received no public comments. The second Notice was published on May 9, 2007 at 72 FR 26443 and SSA received no public comments. 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. Forms SSA-7161-OCR-SM and SSA-7162-OCR-SM are used by approximately 266,500 respondents annually (Individuals or Households only). Form SSA-7161-OCR-SM is used by about 30,000 respondents annually for an average response time of 15 minutes. Form SSA-7162-OCR-SM is used by about 236,500 respondents annually (or biennially, depending on their country of residence), with an average response time of 5 minutes. The total burden for these forms is 27,208 hours. The total burden is reflected as burden hours, and no separate cost burden has been calculated.

Form Number	Number of Respondents	Frequency of Response	Average Burden Per Response	Estimated Annual Burden
SSA-7161-OCR-SM	30,000	1	15 minutes	7,500
SSA-7162-OCR-SM	236,500	1	5 minutes	19,708
Totals	266,500			27,208

13. There is no known cost burden to the respondents.
14. The annual cost to the Federal Government is approximately \$820,820. This estimate is a projection of the costs for printing and distributing the collection instrument and for collecting the information.
15. The increase in the reporting burden is due to an increase in the beneficiary population.
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.