

**Supporting Statement For  
OMB Clearance**

**Financial Institution Data Match**

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SUPPORTING STATEMENT:

**PART A – JUSTIFICATION**

Part A of the Supporting Statement for this information collection; Financial Institution Data Match; addresses the 18 points outlined in Part A of 5 CFR 1320.

**A. JUSTIFICATION**

**1. Circumstances Necessitating Data Collection**

Section 466(a)(17) of the Social Security Act (the Act), requires that States establish procedures under which the State Child Support Enforcement (CSE) agency shall enter into agreements with financial institutions doing business in the State for the purpose of securing information leading to the enforcement of child support orders. The State operates, in coordination with financial institutions, and the Federal Parent Locator Service (FPLS) in the case of financial institutions doing business in multiple States, a data match system. Each financial institution provides quarterly the name, record address, Social Security number or taxpayer identification number, and other identifying information for each noncustodial parent who maintains an account at such institution and who owes past-due support. The State must supply the names and Social Security numbers or other taxpayer identification numbers, which are submitted through the Federal Offset file, the burden for which is approved under OMB number 0970-0161. Sections 452(l) and 466(a)(17)(A)(i) of the Act permit the Secretary, through the FPLS, to aid State CSE agencies in coordinating data matches with Multistate Financial Institutions (MSFI) and transferring to the agencies information that may be provided pursuant to a data match. These procedures must provide for automated data exchanges to the maximum extent feasible. In order to implement the automated data exchanges, MSFIs must advise the Office of Child Support Enforcement (OCSE) of their desire to participate in the centralized match effort and their preferred means of data transmission, dates of transmission, and the names of data services providers, if appropriate. The Multistate Election Form provides the basis for this information.

**2. How, By Whom, and For What Purpose Information Is to be Used**

**2.1 How the information is to be used**

States submit information on delinquent child support obligors to the OCSE on the same file as Federal Tax Offset (approved under number 0970-0161). All States' files are combined into an Inquiry file, which is then sent to financial institutions for matching with financial accounts. The financial institutions' matched financial records are returned to OCSE for dissemination to the States. OCSE sends the response files to the States within 48 hours of receipt and States use the information to identify an obligor's assets that may be used to satisfy a past-due child support debt.

**2.2 By whom the information is to be used**

The States use the information to identify delinquent noncustodial parent's financial accounts for which liens and levies may be established as appropriate.

**2.3 For what purpose the information is to be used**

The information is used for purposes of establishing, modifying, or enforcing a child support obligation against a delinquent noncustodial parent.

**3. Use of Information Technology**

The financial institution information is submitted via its identified medium as selected in the Election Form.

**4. Efforts to Avoid Duplication**

No similar information is currently being produced in another data match.

**5. Efforts to Minimize Impact on Small Entities**

Not applicable.

**6. Consequences if Data Collection Is Not Conducted**

Financial Institution Data Matches are required under Federal law (section 466(a)(17)(A) (i)). Without this information collection, OCSE has no information on which to base the required match and thereby assist States in identifying assets held by MSFIs that may be used to satisfy past-due child support owed by an obligor.

**7. Special Circumstances**

Information is required to be provided on at least a quarterly basis. The Election Form is required only one time, at the onset of the match.

**8. Publication of Public Notice**

A notice was published in the Federal Register on June 21, 2007 at Vol. 72, Page number 119 which allowed for a 60 day comment period to give the public an opportunity to submit to us in writing any comments they had on this information collection. No comments were received.

**9. Provision of Payment or Gift to Respondents**

Not applicable.

**10. Assurances of Confidentiality**

The Secretary of Health and Human Services is required by law to establish and implement safeguards to restrict access to and use of confidential information to authorized persons. 42 U.S.C. 653(m). For purposes of section 1113(d) of the Right to Financial Privacy Act of

1978, a disclosure pursuant to section 452(l) of the Act shall be considered a disclosure pursuant to Federal statute. In addition, each State must have in effect safeguards designed to protect privacy rights. 42 U.S.C. 654(26). All State data is transmitted over secure and dedicated lines to the Federal Offset database.

**11. Questions of a Sensitive Nature**

Social Security numbers are collected as a data element of the information collection. This collection is required in order to guarantee that the correct person is matched to the identified financial account.

**12. Estimates of Respondents’ Hour Burden and Costs**

The total number of burden hours has decreased from the last submission for two reasons. The first reason is based upon the decreased number of financial institutions participating in the data match. The decreased number of financial institutions participating is due to mergers, acquisitions, and multiple financial institutions electing to report through the same data transmitter.

The second reason is because of the decreased number of Election Form respondents. The decreased number of Election Form respondents is based on past averages. The Election Form is completed on a one-time basis. Due to this, as a new financial institution joins the data matching, the number of respondents decreased from 333 to 71. Since the previous number of respondents (333) are all current participants in the program and now fall into the scope of the total number of financial institutions participating (4465). For this reason, an annual average of new participants electing to participate with MSFIDM will be used. To obtain this annual average of 71, totals from the past two years were used. In 2005, OCSE had 100 financial institutions opt to participate, with 46 new participants opting to participate in 2006.

12.1 Respondents’ Hour Burden

**ANNUAL BURDEN ESTIMATES**

INSTRUMENT	Number of Respondents	Number of Responses per Respondent	Average Burden Hours Per Response	Total Burden Hours
Financial Data Match Tape	4465	4	.5	8390
Election Form	71	1	.5	35.5
Estimated Total Annual Burden Hours:				8425.5

12.2 Respondents’ Cost for Hour Burden

Instrument	Number of	Average	Total
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	<b>Respondents</b>	<b>Annualized Cost Per Respondent</b>	<b>Annualized Cost</b>
Financial Data Match Tape	4465	\$37.08	\$165,562
Election Form	71	0	0

The Election Form costs are not applicable because many financial institutions that elect to participate in the Federal program will send their completed Election Form soft copy via email. For those few that send it through the postal service, mailing costs are minimal and do not need to be included.

**13. Estimate of Annual Cost Burden to Respondents**

The data match system is already in place, therefore there is no capital or start-up cost burden to respondents. The annual operating and maintenance costs for the operation are minimal. OCSE sends a tape or CD to each transmitter (transmitters report on behalf of multiple financial institutions; there are 316 transmitters) with the information to be matched. The transmitter performs the match and typically returns the same media to OCSE. Costs to participate exclusive of hour burden are solely mailing costs. At \$13 per overnight courier mailing, four times per year, multiplied by 316 transmitters, the total cost comes to \$16,432.

**14. Estimate of Annualized Cost to the Federal Government**

Annualized cost to the Federal Government is \$361,000. This includes Federal salaries of \$45,000, contractor costs of \$307,000, and CPU costs of \$9,000. The decrease in annualized costs is due to automation of the program, resulting in a reduction in contractor staff and less Federal oversight. In addition, changes in the cost allocation methodology played a part in decreasing annual costs to government.

**15. Change in Burden**

Although the burden hour per respondent has not changed, the aggregate burden has decreased due to the decreased number of financial institutions participating in the data match. Due to the decrease in Election Form respondents, the total burden hours for the Election Form will decrease by 131. That, combined with the decreased number of data match tape respondents, will ultimately decrease the total annual hour burden estimates by 742.5 hours.

**16. Plans for Analysis and Publication**

Aggregate information from the Financial Institution Data Match is analyzed and published annually in the Child Support Enforcement Annual Report to Congress. The information is not planned for statistical use.

**17. Display of Expiration Date**

Not applicable.

**18. Exception to the “Certification for Paperwork Reduction Act Submissions”**

There are no exceptions to the certification statement.

SUPPORTING STATEMENT:

**PART B – COLLECTION OF INFORMATION EMPLOYING  
STATISTICAL METHODS**

The information collection requirements outlined in this report do not employ the use of statistical methods.

## **APPENDIX A: Input and Output Record Specifications**

## **APPENDIX B: Election Form**

## **APPENDIX C: Statutory Authority**