

Justification

Railroad Service and Compensation Reports

RRB Forms BA-3a, BA-4, BA-4 (Internet), BA-12 and G-440

1. Circumstances of information collection - Under Section 9 of the Railroad Retirement Act (RRA) railroad employers are required to submit reports of their employee' service and compensation. Also, under Section 9 of the RRA and Section 6 of the Railroad Unemployment Insurance Act (RUIA), the Railroad Retirement Board (RRB) maintains, for each railroad employee, a record of the compensation paid by all railroad employers for whom the employee worked after 1936. This record, which is used by the RRB to determine eligibility for, and amount of, benefits due under the laws it administers, is conclusive as to the amount of compensation paid to an employee during such period(s) covered by the report(s) of the compensation by the employee's railroad employer(s), except in cases when an employee files a protest pertaining to his or her reported compensation within the statute of limitations cited in Section 6 of the RUIA and Section 9 of the RRA.
2. Purposes of collecting/consequences of not collecting the information - To enable the RRB to establish and maintain the record of compensation, employers are required under Section 6 of the RUIA and Section 9 of the RRA to file with the RRB, in such manner and form and at such times as the RRB by rules and regulations may prescribe, reports of compensation of employees. These information reporting requirements are identified in 20 CFR 209.6 thru 209.9. The prescribed reporting formats are Forms BA-3a and BA-4. Details about each of the reports follow.

RRB Form BA-3a, Annual Report of Creditable Compensation, currently provides the RRB with annual creditable service and compensation for each individual who worked in the railroad industry in a given year. All reports contain a one-line entry for each employee, showing the employee's social security number, name, occupation code, total compensation creditable under the RUIA, months in which the employee worked, total service months, total Tier I and Tier II compensation creditable under the RRA and the last daily pay rate for any 8 hour tour-of-duty.

Employers currently have the option of submitting their reports on Form BA-3a, or, in like format, on magnetic tape cartridges, PC diskettes or CD-ROM. Formats for magnetic tape cartridges, or PC diskette are prescribed in the RRB's Reporting Instructions to Employers. All annual reports of creditable service and compensation, whether on paper, magnetic tape, tape cartridge, PC diskette or CD-ROM, are accompanied by Form G-440, Report Specifications Sheet. The G-440 provides information as to the type of report and specifications, if necessary, for the computer. The form also provides for the signature and identifying information of a certifying officer.

The instructions for completing Form BA-3a are shown on the reverse side of the form.

The RRB proposes changes to Form BA-3a. The form will be renumbered Form BA-3, (Annual Report of Creditable Compensation). In addition to the renumbering, the RRB proposes changes that will impact several current OMB-approved information collections.

Upon approval of these changes, OMB 3220-0175, Form BA-10 Sick Pay and Miscellaneous Payments (expiring 2-29-2008) will no longer be required. Form (s) UI-41 and 41a (OMB 3220- 0070) and Form GL-99 (OMB 3220- 0156) will have their burden significantly reduced.

The following changes are being proposed to Form BA-3 (from the current BA-3a follow) and its existing electronic equivalents:

Item 1	Expand the earnings year to four digits; 20XX rather than XX
Item 2	Expand first and last name fields to 20 and 15 characters; from five and one
Item 8b	Add supplemental RUIA information to the report (reduces use of UI-41 and UI-41a; 3220-0070)
Item 9	Add employment relationship codes to the report (reduces use of GL-99; 3220-0156)
Item 11a	Expand the maximum reportable Tier I to \$999,999.99 from \$99,999.99
Item 11b	Expand the maximum reportable Tier II to \$999,999.99 from \$99,999.99
Item 11c	Add miscellaneous compensation (eliminates need for BA-10, 3220-0175)
Item 11d	Add sick pay to the report (eliminates need for BA-10, 3220-0175)
Item 12	Change the maximum reportable daily pay rate to \$999.99 from \$99.99
Item 14	Add totals for added compensation items

In addition, the RRB proposes the implementation of two additional electronic equivalent options to submit BA-3 information - secure E-mail and File Transfer Protocol (FTP). A proposed Program Letter that explains the Secure E-mail and FTP process, contains the proposed file layout, and includes the required PRA-related notices has been developed and is included with the RRB's IC. Proposed changes to the RRB's Reporting Instructions to Employers (which are/will be available on RRB.gov) for electronic equivalent BA-3's which outline the proposed revisions to the file format and contain the required PRA notices have been added to our IC as well.

RRB Form BA-4, Report of Creditable Compensation Adjustments, currently provides the RRB with adjustments to previous reports and any service and compensation omitted from a previous Ba-3a report. As with the BA-3a reports, employers may choose to report on Form BA-4 or, in like format via magnetic tape, tape cartridge, PC diskette/CD-ROM. Formats for magnetic tape, tape cartridge, PC diskette/CD-ROM are prescribed in the RRB's Reporting Instructions to Employers. All reports, whether paper, magnetic tape, tape cartridge PC diskette or CD-ROM are accompanied by Form G-440, Report Specifications Sheet. The G-440 provides information as to the type of report and specifications, if necessary, for the computer. The form also provides for the signature and identifying information of a certifying officer. The instructions for completing Form BA-4 are shown on the reverse side of the form.

The RRB proposes the following changes to Form BA-4, largely to parallel the design of the proposed BA-3.

Item 5	Expands the earnings year to four digits; 20XX rather than XX
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Item 7	Expand first and last name fields to 20 and 15 characters; from five and one
Item 9b	Add supplemental RUIA information to the report (reduces use of UI-41 and UI-41a; 3220-0070)
Item 12a	Expand the maximum reportable Tier I to \$999,999.99 from \$99,999.99
Item 12b	Expand the maximum reportable Tier II to \$999,999.99 from \$99,999.99
Item 12c	Add miscellaneous compensation (eliminates need for BA-10, 3220-0175)
Item 12d	Add sick pay to the report (eliminates need for BA-10, 3220-0175)
Item 13	Add the daily pay rate to the report
Item 15	Add totals for added compensation items, Items 9b, 12c and 12d.

In addition, the RRB proposes the implementation of two additional electronic equivalent options to submit BA-4 information - secure E-mail and File Transfer Protocol (FTP). A proposed Program Letter that explains the Secure E-mail and FTP process, contains the proposed file layout, and includes the required PRA-related notices has been developed and is included with the RRB's IC. Proposed changes to the RRB's Reporting Instructions to Employers (which are/will be available on RRB.gov) for electronic equivalent BA-4's which outline the proposed revisions to the file format and contain the required PRA notices have been added to our IC as well.

Form BA-4 (Internet), Report of Creditable Compensation Adjustments, is submitted by employers who have authorization to access the RRB's Employer Reporting System (ERS). Access to ERS is granted only to employers who have completed RRB Form BA-12. Form BA-12 provides information used by the RRB to evaluate the level of access requested and documents the level of access granted. Once the appropriate access is secured, an employer can complete and submit the Form BA-4 (Internet) on-line.

The BA-4 (Internet) is not a form in the traditional sense but more of a process. *Although it collects essentially the same information as the other approved versions of the BA-4*, it consists of a series of screens (which collect the necessary information and provide for the required notices and certifications) and help messages designed to help the user navigate through the system and complete a successful transaction.

Consistent with the changes proposed to Form BA-4, the RRB proposes the following changes to Form BA-4 (Internet):

- Expand the first and last name fields to 20 and 15 characters from 5 and 1
- Add supplemental RUIA information (RUIA II) to the report (reduces use of UI-41 and UI-41a; 3220-0070)
- Expand the maximum reportable Tier I to \$999,999.99 from \$99,999.99
- Expand the maximum reportable Tier II to \$999,999.99 from \$99,999.99
- Add miscellaneous compensation (eliminates need for BA-10, 3220-0175)
- Add sick pay to the report (eliminates need for BA-10, 3220-0175)
- Add the daily pay rate to the report

Form BA-12, System Access Application is used by the RRB obtain information from employers that identifies employees who are allowed to use the RRB's Employer

Reporting System (ERS) to submit employer reporting forms to the RRB and also to determine what level of access (view only, data entry/modification, or approval submission) is appropriate for that employee. Form BA-12 is completed by both the railroad employee seeking system access as well as by an authorized representative of his/her employer who will approve the request. Within 7 days of the receipt of an acceptable application, the RRB mails a logon identification and a password to the employee that provides initial access to the ERS. Upon initial entry to the system, the employee is prompted to establish their own unique password. Completion of the BA-12 is voluntary and is necessary only if an employer wants to submit data and reports via the RRB's Internet-based ERS.

The RRB proposes no changes to Form BA-12.

The RRB proposes the addition of new Form G-440, Reports Specification Sheet to the information collection.

All RRB BA-series Employer Reporting Forms submitted on paper, magnetic tape, diskette/CD-Rom, secure E-mail and FTP require a certification statement. This certification serves as validation that the person submitting the report is an authorized official of the railroad employer for whom the data is being reported and acknowledgement of the penalties that may be imposed for submitting a false or fraudulent report. Current RRB Form G-440 has been in use as a certification form for decades and has been submitted as a non-public-use form and included as an exhibit with various information collections approved by OMB (3220-0005, 3220-0008, 3220-0123, 3220-0173) for many years, through many renewal cycles. As a result of review activity associated with the Employer Reporting Initiative, the RRB has determined that the form should be made a public-use form and OMB approval should be secured.

Proposed Form G-440, will accompany all non-Internet based BA-series forms submitted and serve as a standard certification form. The circumstances the G-440 can certify will vary (as can the estimated completion time) depending on circumstances as explained below.

- Proposed Form G-440 may be used solely to certify a paper BA report or to accompany a "zero" or "negative" employee report. (estimate - 15 minute completion time).
- Proposed Form G-440 may be used to certify an electronic transaction. In that case, the respondent must submit additional information regarding the medium the report was submitted on. (estimate - 30 minute completion time)
- Proposed Form G-440 may be used to certify a paper BA-3 or BA-4 report that required the use of the recapitulation sheet on the reverse side of the form (estimate -1 hour and 15 minute completion time).

In addition to the required review under the Paperwork Reduction Act, all of the aforementioned changes proposed (and electronic equivalents) were reviewed by staff from the RRB's Office of General Counsel, Office of the Inspector General (OIG), and RRB computer security staff and found to be acceptable. Subsequently, the BA-3, BA-4 (and all electronic equivalents), BA-4 (Internet), and G-440 were reviewed and approved for use (pending OMB approval) by the RRB's Board Members

To our knowledge, no other agency uses forms similar to the BA-3a, BA-4, Ba-4 (Internet), BA-12 or G-440.

3. Planned use of improved information technology or technical/legal impediments to further burden reduction – The RRB proposes two additional methods of submission to the information collection, secure E-mail and File-Transfer-Protocol (FTP). Forms BA-3a, BA-4 BA-12 and G-440 are available for downloading from the RRB's web-site. Form BA-4 (Internet) is a web-based secure transaction that utilizes the RRB's Employer Reporting System (ERS).
4. Efforts to identify duplication and other improvements - This information collection does not duplicate any other information collection.
5. Small business respondents - N.A.
6. Consequences of less frequent collections - Obtaining service and compensation information less frequently would affect the payment of benefits under the RRA and the RUIA. An up-to-date record is essential for the timely and accurate payment of benefits.
7. Special Circumstances - N.A.
8. Consultations outside the agency - In accordance with 5 CFR 1320.8(d), comments were invited from the public regarding the information collection. The notice to the public was published on pages 46251 and 46253 of the August 17, 2007, Federal Register. **The RRB received comments from the Department of Commerce's, Bureau of Economic Analysis (BEA), strongly supporting the RRB's continued collection of the data on Forms BA-3(a) and BA-4 stating "these forms are our main data source for key components of BEA's economic statistics".** No other comments were received.
9. Payments or gifts to respondents - None
10. Confidentiality - Privacy Act System of Records, RRB-5, Master File of Railroad Employee's Creditable Compensation. In accordance with OMB Circular M-03-22, a Privacy Impact Assessment for this information collection was completed and can be found at http://www.rrb.gov/pdf/PIA/PIA_EE_BA-3_BA-4_BA-12_G-440_10-17-2007_public.pdf
11. Sensitive questions - N.A.

12. Estimate of respondent burden - The burden currently in the inventory and the adjusted burden for this collection follow:

Current Burden			
Reporting	Responses	Time (hrs) <u>1/</u>	Burden Hours
BA-3a			
Electronic Media <u>2/</u>	226	33.3	7,526
Paper	353	85.0	30,005
Total (BA-3a)	579		37,531
BA-4			
Electronic Media <u>2/</u>	27	1.0	27
Paper	211	1.0	211
Internet	1,000	.25	250
Total (BA-4)	1,238		488
BA-12			
Initial Access	300	.33	99
Access Termination	50	.166	8
Total (BA-12)	350		107
Total	2,167		38,126

1/ Includes time for accumulating and summarizing the data.

2/ Includes magnetic tape, tape cartridge, PC diskette/CD-ROM.

Adjusted Burden

Reporting	Responses	Time (hrs) <u>1/</u>	Burden Hours
BA-3			
Paper	196	116.85	22,903
Electronic Media <u>2/</u>	386	46.25	
Total BA-3	582		40,755
BA-4			
Paper	160	1.25 (7 5 m i n)	200

Electronic Media <u>2/</u>	285	1.00 (60min)	285
BA-4 (Internet)	3,852	.33 (20 min)	1,284
Total BA-4	4,297		1,769
BA-12			
Initial Access	300	.33 (20 min)	100
Access Termination	50	.166 (10 min)	8
Total BA-12	350		108
G-440 (certification)			
Form BA-3 (zero employees)	96	.25 (15 min)	24
Form BA-11(zero employees)	305	.25 (15min)	76
Paper forms without recap	446	.25 (15min)	112
Electronic transactions	904	.50 (30 min)	452
BA-3 and BA-4 (including recap)	368	1.25 (75 min)	460
Total G-440	2,119		1,124
Total	7,348		43,756

1/ Includes time for accumulating and summarizing the data.

2/ Includes, magnetic tape cartridge, PC diskette/CD-ROM, FTP and secure E-mail

	<u>Responses</u>	<u>Hours</u>
Total burden change	+5,181	+ 5,630

13. Estimated annual cost to respondents or record keepers - N.A.

14. Estimate of cost to Federal Government -N.A.

15. Explanation for changes in burden –The estimated overall amount of responses for this collection has increased significantly (by +5,181 and the burden hours have increased by 5,630) for a variety of reasons. In an effort to streamline the Employer Reporting process, items of information were added to Forms BA-3 and BA-4 that will result (upon OMB approval) in obsolescence of an existing information collection (RRB Form BA-10, OMB 3220-0175) and significantly reduce two others (RRB Form GL-99, OMB 3220-0156 and RRB Form UI-41 and UI-41a, OMB 3220-0070). Reasons for the burden increase follow:

- The use of Form BA-4 (Internet) has been closely monitored by RRB program staff. The process has proven popular and the estimated amount of annual responses for Form BA-4 (Internet) based on actual usage continues to increase (from 1,000 to 3,852). The estimated completion time has been increased from .25 hours to .33

hours to accommodate the changes being proposed. This accounts for an additional +2,852 responses and +1,034 hours of burden.

- A new form, Form G-440, which will act as a certification for all BA-related information collections is being added to the collection, resulting in an additional +2,119 responses and +1,124 burden hours.
- The remaining increase in the amount of responses is due largely to employers filing more frequent (and timely) reports of adjustments of compensation. The remaining additional burden hours are due to the increased estimated completion times associated with the changes being proposed to the BA-3, BA-4 and their electronic equivalents.

The RRB believes that after a period of implementation and evaluation we will be able to reduce our estimate of responses and the estimated completion times. We also hope our efforts to increase the amount of electronic reporting options available to employers will result in a percentage gain in our overall amount of electronic responses as we try to move away from paper.

16. Time schedule for data collection and publication - The results of this collection will not be published.
17. Request to not display OMB expiration date - Given the costs associated with redrafting, reprinting, and distributing the forms in this collection in order to keep the appropriate OMB expiration date in place, the RRB requests the authority to **not** display the OMB expiration date on the forms associated with this collection.
18. Exceptions to Certification Statement - None