

**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. SSA has not scheduled for electronic implementation under the Government Paperwork Elimination Act because of the high risk of potential fraud and abuse of the system.

The Foreign Enforcement Program (FEP) is one of the most important integrity measures used by the Social Security Administration (SSA) to verify the existence and identity of beneficiaries living outside the United States. Contacts are made annually or biennially using two Foreign Enforcement Questionnaires (FEQs), the SSA-7161-OCR-SM and the SSA-7162-OCR-SM. The mailing and receipt of these questionnaires ensures that our beneficiaries in foreign countries are receiving SSA notices and other important information, and allows SSA to obtain assurance of free access to our beneficiaries,

which is integral to the soundness of the program.

To allow beneficiaries to complete the FEQs electronically online would sacrifice our only method of keeping track of the physical presence of beneficiaries and would put the integrity of the foreign Social Security program at risk. Routine and wide circulation of the forms would undermine the review process and would initiate potential fraud and abuse of the system. In addition:

- SSA currently minimizes the burden on the public by identifying the audience, pre-addressing the outgoing and incoming mailers and offering check block responses.
  - The existing system for processing/scanning the foreign enforcement forms uses pre-printed OCR paper forms and cannot accommodate forms independently printed, or electronically submitted by beneficiaries.
  - We have no system in place to receive and process the information.
4. The nature of the information SSA collects 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, SSA cannot collect this information less frequently. Additionally, law mandates collection of the information on the SSA-7161-OCR-SM annually.
  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. SSA published the 60-day advance Federal Register Notice on March 28, 2008, at 73 FR 16734, and SSA received no public comments. SSA published the 30-day on May 28, 2008 at 73 FR 30656. 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. See below:

Form Number	Number of Respondents	Frequency of Response	Average Burden Per Response	Estimated Annual Burden
SSA-7161-OCR-SM	28,461	1	15 minutes	7,115
SSA-7162-OCR-SM	247,136	1	5 minutes	20,595
<b>Totals</b>	<b>275,597</b>			<b>27,710</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 annual cost to the Federal Government is approximately \$848,839. 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. SSA will not publish the results of the information collection will not be published.

17. OMB has granted SSA an exemption from printing the expiration date for OMB approval 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). SSA granted this exemption 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.