

**Addendum to the Supporting Statement for SSA-308
Modified Benefit Formula Questionnaire—Foreign Pension
OMB No. 0960-0561**

Terms of Clearance:

Upon resubmission, SSA will consider revising the fourth paragraph on form SSA-308 to more clearly explain what the modified benefit formula is and who it applies to.

In compliance with the Terms of Clearance, SSA is revising the fourth paragraph of the SSA-308 to read as follows:

U.S Social Security retirement or disability benefits may be determined using a different formula under the Windfall Elimination Provisions (WEP), when you also receive a pension based on employment or self-employment, (employment, meaning work) from a foreign pension not covered by U.S. Social Security. Social Security benefit amounts use only earnings covered under Social Security with a benefit formula that gives proportionately higher amounts to workers with low lifetime earnings. A worker with a substantial period of non-covered work during their lifetime appears to have lower lifetime earnings than they actually had. WEP reduces the primary insurance amount upon which benefits are based and affects all benefits paid on that record except survivors. The difference in U.S. Social Security benefits computed under WEP cannot be greater than one-half the amount of the non-covered pension received in the first month you are entitled to both the non-covered pension and the U.S. Social Security benefit.

Revisions to the Collection Instrument:

In addition, question two was revised to clarify the concept of "partial payment" that occurs when someone is getting a Totalized benefit. Question two used to read:

"Is the pension listed in item 1 based on a totalization agreement (combined credits) with the United States?"

SSA is revising it to read:

"Is the pension listed in item 1 a partial benefit paid under a U.S. Social Security {Totalization} agreement?"

Most of the time, beneficiaries do not know that credits were combined, but they do know that it is a partial benefit.

SSA's Office of the General Counsel is conducting a systematic review of SSA's Privacy Act Statements on agency forms. As a result, SSA is updating the Privacy Act Statement on the SSA-308.

SSA is updating the Paperwork Reduction Act Statement to reflect the TTY number.