

Supporting Statement for Forms SSA-4588 and SSA-4589
You Can Make Your Payment by Credit Card
OMB Control No. 0960-0462

A. Justification

1. *Sections 205(a) and 1631(e)(1) of the Social Security Act* authorize the Commissioner of Social Security to establish rules, regulations, and policy for administering the Social Security programs. For many years, the Federal government has been accepting credit card payments for debts owed by individuals and businesses. The Department of the Treasury, which creates the Federal government's general debt collection policy and procedures, has long encouraged the use of electronic funds transfer, including credit cards, for repaying debts. Accepting credit cards is a long-standing business practice used by other Federal agencies as well as by the Social Security Administration (SSA).
2. Individuals can use the SSA-4588 and SSA-4589 forms to pay debts owed to SSA. SSA sends out the SSA-4588 form with initial overpayment notices, which inform individuals that SSA has detected an overpayment. The SSA-4589 form is only used in the Program Service Centers (PSC) for the Debtor Contact Representatives to complete when a debtors calls and to make a payment by telephone. Depending upon the individual's Social Security number (SSN), the debt collection is processed by one of six PSCs. Each form displays the appropriate toll-free SSA telephone number for the PSC processing the debt collection. Therefore, there are six overprinted versions of this form, which are identical except for the toll-free telephone number. Since we change no other information from one overprint version to the next, SSA is only submitting one copy of each form (SSA-4588 and SSA-4589) with this clearance package. SSA uses the individual's SSN, name, address and amount charged to update the individual's Social Security record to reflect that the individual has made a payment on the debt. SSA uses the phone number to contact the individual if there are any questions or problems. SSA uses the type of credit card, credit card number, amount charged and expiration date to process the payment through the appropriate credit card company. Respondents are Title II beneficiaries and Title XVI recipients who have outstanding overpayments.
3. SSA has not yet scheduled the SSA-4588 for electronic implementation as an original signature is required and SSA keeps it on hand as proof that the individual requested SSA charge their credit card on a recurring monthly basis. In addition, both forms require special technology to process the sensitive financial information collected by these forms. In regard to this, we are currently in the process of creating internal use screens for the SSA-4589 since we do not require an original signature for the one-time telephone payments. These internal use screens will interface directly with the specialized system we use to process the payments, and should expedite the payment process for those debtors who choose to pay by telephone.
4. SSA is changing the SSA-4588 to include the recurring credit card payment option. SSA uses the SSA-4589 internally for credit card payments made by the individual over the

telephone and, therefore, is not currently revising it. The nature of the information collected and the manner in which it is collected preclude duplication.

5. The collection of information for this form does not involve small businesses or other small entities.
6. If SSA did not collect this information, the agency would not be able to participate in Treasury’s Plastic Card Network, nor would the agency comply with the need to use more efficient debt collection methods. Because the respondents use the SSA-4588 and SSA-4589 at their discretion to make payment by credit card, SSA cannot collect the information less frequently. There are no technical or legal obstacles preventing burden reduction.
7. There are no special circumstances that would cause SSA to conduct this information collection in a manner inconsistent with 5 CFR 1320.5.
8. The 60-day advance Federal Register Notice published on December 2, 2008, at 73 FR 73377, and SSA has received no public comments. The second Notice published on February 17, 2009, at 74 FR 7506. There have been no outside consultations with members of the public.
9. SSA provides no payment or gifts to the respondents.
10. The information provided on this form 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. SSA estimates to receive approximately 3,500 responses annually for the SSA-4588 and 36,500 responses for the SSA-4589, for a combined total of 40,000 annual responses. There are no available data on the number of monthly versus lump sum payments; therefore, the estimated 40,000 responses represent all monthly and lump sum responses received in a year’s time. The following table indicates the estimated annual burden for both forms:

Form #	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Total Burden Hours
SSA-4588	3,500	1	10	583
SSA-4589	36,500	1	5	3,042
Totals	40,000			3,625

The total burden reflects as burden hours, and SSA has calculated no separate cost burden.

13. There is no known cost burden to the respondents.

14. The annual cost to the Federal Government is approximately \$184,800. This estimate is a projection of the costs for printing and distributing the collection instrument and for collecting the information. However, because SSA will continue to use the SSA-4589 there will only be 1,000 copies printed of the SSA-4588 for each of the PSCs.
15. SSA is reducing the burden for this ICR. Previously SSA reported the number of responses per year as 60,000. This number reflected monthly reporting. However, SSA is revising the forms to add an option for recurring payment, which will alleviate the need for the respondents to fill out the form more than once. Due to this change, SSA has greatly reduced the number of yearly responses for these forms.

In addition, [prior to ROCIS, SSA was unable to show the separate time estimates for each form. Because ROCIS now allows us to separate the two forms in ICs, we are reporting the burdens per form separately; therefore, the burden estimate is more accurate.](#)

16. SSA will not publish the results of the information collection.
17. OMB has granted SSA an exemption from the requirement to print 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). OMB granted this exemption so that SSA would not need to take otherwise useable editions of forms out of circulation because the expiration date had been reached. In addition, SSA avoids Government waste because we will not need to destroy or reprint stocks of forms.
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. Statistical Methods

SSA does not use statistical methods for this information collection.