

**SUPPORTING STATEMENT FOR FORM SSA-7157
FARM ARRANGEMENT QUESTIONNAIRE
20 CFR 404.1082(c)**

OMB No. 0960-0064

A. Justification

1. When self-employed workers submit earnings figures to SSA, they cannot count rental income from a farm unless they demonstrate “material participation” in that farm’s operation (as per Section 211 of the *Social Security Act*). A material participation arrangement means the farm owners who are seeking to have earnings counted by SSA must perform a combination of physical duties, management decisions, and capital investment in the farm they are renting out. Section 20 CFR 404.1082(c) of the *Code of Federal Regulations* outlines the procedures SSA uses to determine if income from farm rentals should be included in determining self-employment net earnings.

To carry out this determination, SSA uses form SSA-7157, the Farm Arrangement Questionnaire.

2. Self-employed farm workers who want to include output from a farm they are renting use form SSA-7157 to document material participation in that farm’s earnings. SSA uses the information submitted on this form to determine if the self-employed workers’ farm earnings should be included for their Social Security earnings records.
3. SSA did not develop an electronic version of form SSA-7157 under its Government Paperwork Elimination Act plan due to the form’s low volume of usage.
4. The nature of the information SSA is collecting and the manner in which we are collecting it preclude duplication. The agency does not use another collection instrument to obtain the same data.
5. This collection does not significantly affect small businesses or other small entities.
6. If SSA did not use this information collection, self-employed farmers who are renting out farm property and are materially participating in that farm’s operation would have no means of counting income from the farm on their earnings records. Because the respondents only submit this form annually, SSA cannot reduce the frequency of use for the information collection.

There are no technical or legal obstacles to burden reduction.

7. There are no special circumstances that would cause SSA to conduct this information

0960-0064 (SSA-7157)
2/4/2021

collection in a manner inconsistent with 5 CFR 1320.5.

8. SSA published the 60-day advance Federal Register Notice on July 1, 2008, at 73 FR 37524, and we did not receive any public comments. We published the 30-day Federal Register Notice on September 17, 2008, at 73 FR 53919. If we receive any public comments in response to the 30-day Notice, we will forward them to OMB.

SSA did not consult with the public in the development or maintenance of this form.

9. SSA does not provide payments or gifts to the respondents.
10. SSA protects and holds confidential the information it is requesting 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. Approximately 38,000 respondents take 30 minutes each to complete form SSA-7157 annually, for a total burden of 19,000 hours. This figure represents burden hours, and we did not calculate a separate cost burden.
13. This information collection does not impose costs on the respondents.
14. The annual cost to the Federal Government for this collection is approximately \$117,040. This figure is an estimate of the printing and distribution costs for the form, and for collecting the information.
15. There are no changes to the public reporting burden.
16. SSA will not publish the results of the information collection.
17. OMB has exempted SSA from the requirement to print the OMB approval expiration date on our program forms. SSA produces millions of public-use forms, many of which have a life cycle which exceeds that of an OMB approval. SSA does not periodically revise and reprint its public-use forms (e.g. on an annual basis). Accordingly, OMB granted this exemption so we would not have to stop using forms with expired OMB approval dates. In addition, we avoid Government waste since we will not have to destroy and 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).

0960-0064 (SSA-7157)
2/4/2021

B. Justification

SSA will not use statistical methods for this information collection.