## Supporting Statement for Form SSA-1695 Identifying Information for Possible Direct Payment of Authorized Fees OMB No. 0960-0730

## A. Justification

- 1. Pursuant to sections 206(a) and 1631(d) of the Social Security Act, the Social Security Administration (SSA) needs the information collected on this form to facilitate direct payment of authorized fees to an attorney and/or other person who represents claimants for benefits before SSA. SSA will use the information to meet any requirement to issue a Form 1099-MISC, pursuant to 26 USC 6041 and 26 USC 6045(f) in Title 26 of *the United States Code*, which is the Internal Revenue Code.
- 2. SSA will use the information provided on Form SSA-1695 to facilitate the direct payment of authorized fees to an attorney or other person who represents claimants for benefits before SSA. SSA will also use the information provided to meet any requirement to issue a Form 1099-MISC when SSA has paid the representative aggregate fees of \$600 or more in a taxable year. SSA uses Form SSA-1695 to establish a link between each claim for benefits, and the data that we collect on the SSA-1699 and stored on an appointed representative database. The respondents are attorneys and other individuals who represent claimants for benefits before SSA.
- 3. SSA is not devoting limited agency resources to provide an electronic option, because we are eliminating Form SSA-1695 in 2010, when the agency will implement new procedures. This Form is available as a downloadable PDF, which the representatives can complete and send to SSA. Form SSA-1695 (0960-0730), will not become part of the claims file; after we enter into the appropriate systems, SSA will destroy the form.
- 4. The nature of the information we are colleting and the manner in which we are collecting it preclude duplication. SSA does not use another collection instrument to collect similar data.
- 5. This collection does not affect small businesses or other small entities.
- 6. SSA does not currently have another process for collection of the information requested by this form. The information provided will be essential to facilitate direct payment of authorized fees in each claim and to meet any requirement to issue a Form 1099-MISC. Therefore, if SSA did not collect the information, we would not be able to meet the requirements to issue a Form 1099-MISC, or to pay authorized fees directly. In addition, since SSA collects this information on an as-needed basis, we cannot collect it less frequently. There are no technical or legal obstacles that prevent 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 February 25, 2009, at 74 FR 8607, and SSA received no public comments. The second Notice published on April 28,

2009, at 74 FR 19261. SSA did not consult members of the public in the development of this form. In response to the 30 day notice we received a set of comments from NOSSCR (National Organization of Social Security Claimants' Representatives) suggesting a number of revisions to the form. See the Manage ICR Documents page in ROCIS for the comment file.

## SSA response:

NOSSCR comments are primarily directed at the information requested on the SSA-1695 (e.g., the request for the Social Security Number (SSN) of the representative and information about other claimants being represented) and problems related to processing of the form by SSA. We appreciate NOSSCR concerns regarding the design of the SSA-1695 and the manual processing of this form. As we have reported to NOSSCR before, SSA has undertaken a number of educational and training efforts for our staff related to processing the SSA-1695. In addition, SSA has convened an agency workgroup to design improvements to the appointed representative process and we anticipate replacing the SSA-1695 in early 2010 and discontinuing the request for the SSN of the representative in each claim. However, in the interim, SSA must continue to use the current form in order to accurately make direct fee payments to representatives and subsequently issue accurate Forms 1099-MISC to individual representatives and affiliated entities.

- 9. SSA provides no payment or gifts to 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 10,000 respondents use Form SSA-1695 annually. We estimate that a respondent may complete a form 40 times per year, for 400,000 responses. The estimated average response time is 10 minutes, for a total of 66,667 burden hours. The total burden represents burden hours, and SSA did not calculate a separate cost burden
- 13. There is no known cost burden to the respondents.
- 14. The annual cost to the Federal Government is approximately \$4,000. This estimate is a projection of the costs for printing and distributing the collection instrument and for collecting the information.
- 15. The public reporting burden hours increased from 41,667 to 66,667, and the number of respondents increased from 250,000 to 400,000. This increase of burden hours is, because each claim for direct fee payment has a SSA-1695 completed, and rapid growth of representation workload.
- 16. SSA will not publish the results of the information collection.

- **17**. OMB exempted SSA from the requirement to print the OMB approval expiration date 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 the agency would not have to discontinue using otherwise useable editions of forms with outdated expiration dates. In addition, SSA avoids Government waste, because 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).

## B. Collections of Information Employing Statistical Methods

SSA is not using statistical methods for this information collection.