

**Supporting Statement for Form SSA-7160-F4,  
Employment Relationship Questionnaire  
20 CFR 404.1007  
OMB No. 0960-0040**

**A. Justification**

**1. Introduction/Authoring Laws and Regulations**

*Section 205(a) of the Social Security Act (the Act)* authorizes the Commissioner of Social Security to establish procedures necessary to carry out the purposes of the Act. One such purpose is the maintenance of workers' earnings records. Form SSA-7160-F4 (Employment Relationship Questionnaire) was developed to obtain information needed for determining workers' employment status; i.e., whether, under the definition of an employee found in *Section 210(j)(2) of the Act* and *20 CFR 404.1007 of the Code of Federal Regulations*, a worker is an employee under the "usual common-law rules" applicable in determining the existence of an employer-employee relationship.

**2. Description of Collection**

Form SSA-7160-F4 contains questions covering most employment situations, and the questions are pertinent to reaching a sound decision about a worker's employment status. The questions have evolved over years of practical application and study and SSA geared them to solicit information on the existence of 20 common law factors which are pertinent to resolving employer-employee relationship issues. The respondents are individuals questioning their status as employees and their employers.

**3. Use of Information Technology to Collect the Information**

This is a low-volume form and making the collection available electronically is not cost-effective at this time. Consequently the SSA-7160-F4 was not included for electronic implementation in the Agency's Government Paperwork Elimination Act (GPEA) plan.

**4. Why We Cannot Use Duplicate Information**

The nature of the information we are collecting and the manner in which we are collecting it preclude duplication. SSA does not use another collection instrument to obtain similar data.

**5. Minimizing Burden on Small Respondents**

While SSA may ask some small businesses to complete the SSA-7160-F4, we keep the burden for complying to a minimum by asking for only essential information.

**6. Consequence of Not Collecting Information or Collecting it Less Frequently**

This information collection is required to maintain accurate earnings records for workers under the Social Security system. If SSA did not collect the information, then those records would not be accurate. Therefore, we cannot collect it less frequently. There are no technical or legal obstacles that prevent burden reduction.

**7. Special Circumstances**

There are no special circumstances that would cause SSA to conduct this information collection in a manner inconsistent with 5 CFR 1320.5.

**8. Solicitation of Public Comment and Other Consultations with the Public**

The 60-day advance Federal Register Notice published on August 7, 2009 at 74 FR 39728, and SSA has received no public comments. The second Notice published on December 8, 2009, at 74 FR 64801. There have been no outside consultations with members of the public.

**9. Payment or Gifts to Respondents**

SSA provides no payment or gifts to the respondents.

**10. Assurances of Confidentiality**

SSA protects and holds confidential the information it collects 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. Justification for Sensitive Questions**

The information collection does not contain any questions of a sensitive nature.

**12. Estimates of Public Reporting Burden**

An estimated 16,000 respondents will use form SSA-7160-F4. The estimated average response time is 25 minutes, for a total of 6,666 burden hours. Of those 16,000 respondents, SSA estimates that 50% are Individuals and Households; 45% are Businesses; and 5% are State/Local Governments. The breakdown within the groups is as follows:

| <b>Respondent Type</b> | <b>Number of Respondents</b> | <b>Frequency of Response</b> | <b>Average Burden per Response (minutes)</b> | <b>Estimated Annual Burden (hours)</b> |
|------------------------|------------------------------|------------------------------|--|--|
| Individuals            | 8,000                        | 1                            | 25   | 3,333                                  |
| Businesses             | 7,200                        | 1                            | 25   | 3,000                                  |
| State/Local Government | 800                          | 1                            | 25   | 333                                    |
| <b>Totals:</b>         | <b>16,000</b>                |                              |  | <b>6,666</b>                           |

The total burden for this ICR is 6,666 hours. This figure represents burden hours, and SSA did not calculate a separate cost burden.

**13. Annual Cost to the Respondents (Other)**

There is no known cost burden to the respondents.

**14. Annual Cost To Federal Government**

SSA has not printed the SSA-7160-F4 since 1997. Instead, we reproduce the form locally as needed. The cost burden to SSA of reproducing the form locally and collecting the information is unknown.

**15. Program Changes or Adjustments to the Information Collection Request**

The decrease in the burden hours is due to a decrease in the use of this form. Also, SSA believes that the original estimate was inaccurate, and is now correcting that estimate.

**16. Plans for Publication Information Collection Results**

SSA will not publish the results of the information collection.

**17. Displaying the OMB Approval Expiration Date**

OMB granted SSA an exemption from the requirement to print the OMB expiration date on its program forms. SSA produces millions of public-use forms with life cycles exceeding those of an OMB approval. Since SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis), OMB granted this exemption so SSA would not have to destroy stocks of otherwise useable forms with expired OMB approval dates, avoiding Government waste.

**18. Exceptions to Certification Statement**

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 Using Statistical Methods**

SSA does not use statistical methods for this information collection.