

Supporting Statement for Forms SSA-7161-OCR-SM and SSA-7162-OCR-SM
Report to United States Social Security Administration by Person
Receiving Benefits for a Child or for an Adult Unable to Handle Funds;
Report to United States Social Security Administration
OMB No. 0960-0049

A. Justification

1. **Introduction/Authoring Laws and Regulations** - *Section 203(c)* of the *Social Security Act* (the *Act*) requires the Commissioner of Social Security to deduct benefits of entitled individuals who engage in remunerative activity outside the United States in excess of 45 hours a month, and from certain other beneficiaries who fail to have in their care specified entitled child beneficiaries. *Section 203(g)* of the *Act* states that the Commissioner may impose penalty deductions on benefits of individuals who fail to make timely reports of events that are cause for deductions. *Section 205(a)* of the *Act* empowers the Commissioner to make rules and regulations and determine an individual's continuing eligibility for benefits. The U.S. District Court for the Western District of Oklahoma ordered the Commissioner to obtain universal, mandatory annual accountings from all representative payees (*Jordan v. Heckler, Civ-79-994-W*). *Sections 205(j)* and *1631(e) (1) (A)* establish the requirement for the agency to set up a monitoring system for representative payees.
2. **Description of Collection** – The Social Security Administration (SSA) needs the information on Forms SSA-7161-OCR-SM and SSA-7162-OCR-SM when determining continuing entitlement eligibility to Social Security benefits and the proper benefit amounts for beneficiaries living outside the United States. We also need this information to: 1) determine whether certified representative payees living outside the United States have properly used the payments on behalf of beneficiaries they represent; and 2) to establish that the representative payee continues to demonstrate strong concern for the beneficiary's best interests. Forms SSA-7161-OCR-SM and SSA-7162-OCR-SM are report forms completed each year (or every other year, depending on the country of residence) by, or on behalf of, each beneficiary living outside the United States. The data SSA collects on these forms assists us in determining whether to increase, decrease, suspend or terminate benefits.
3. **Use of Information Technology to Collect the Information** - SSA has not scheduled these forms for electronic implementation under the Government Paperwork Elimination Act because of the high risk of potential fraud and abuse in conjunction with these forms.

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** - This collection does not affect small businesses or other small entities.
6. **Consequence of Not Collecting Information or Collecting it Less Frequently** – Failure to obtain this information could result in SSA making improper payments or overpayments to beneficiaries or representative payees. Therefore, SSA cannot collect this information less frequently. Additionally, law mandates SSA collect the information on Form SSA-7161-OCR-SM annually.
7. **Special Circumstances** - There are no special circumstances that would cause SSA to collect this information in a manner inconsistent with 5 CFR 1320.5.
8. **Solicitation of Public Comment and Other Consultations with the Public** - SSA published the 60-day advance Federal Register Notice on March 30, 2010, at 75 FR 15761, and we received no public comments. We published the 30-day Notice on June 2, 2010 at 75 FR 30897. If we receive any comments in response to the 30-day Notice, we will forward them to OMB. We did not consult with members of the public.
9. **Payment or Gifts to Respondents** – SSA provides no payments 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** – The following table outlines the public reporting burden.

Form Number	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Annual Burden (hours)
SSA-7161-OCR-SM (Rep Payee)	30,560	1	15	7,640
SSA-7162-OCR-SM (Beneficiary)	271,142	1	5	22,595
Totals	301,702			30,235

The total burden reflects burden hours, and we did not calculate a separate cost burden.

13. **Annual Cost to the Respondents** - There is no known cost burden to the respondents.
14. **Annual Cost to the Federal Government** - The annual cost to the Federal Government is approximately \$36,760. This estimate is a projection of the costs for printing and distributing the collection instrument, and for collecting the information.
15. **Program Changes or Adjustments to the Information Collecting Request** - The increase in the reporting burden is due to an increase in the beneficiary population living outside the United States.
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 that 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 Employing Statistical Methods

SSA does not use statistical methods for this information collection.