

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

A. Justification

1. Introduction/Authoring Laws and Regulations

Pursuant to sections 206(a) and 1631(d) of the *Social Security Act*, the Social Security Administration (SSA) collects the information 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) of the *United States Code*, which is the Internal Revenue Code.

2. Description of Collection

SSA collects information 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 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. Use of Information Technology to Collect the Information

SSA will not devote limited agency resources to provide an electronic option, because we intend to eliminate Form SSA-1695 when the agency implements new procedures within the Appointed Representative Suite of Services. Currently, the SSA-1695 is available as a downloadable PDF, which the representatives can print, complete, and send to SSA. Form SSA-1695 does not become part of the claims file; after we enter it into the appropriate systems, SSA destroys the form. Once we create a working system for the Appointed Representative Suite of Services we will discontinue the SSA-1695 (see Addendum for more details).

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 collect 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

SSA does not currently have another process for collecting the information requested by this form. The information appointed representatives provide is 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. 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 March 30, 2010, at 75 FR 15761, and SSA received no public comments. The second Notice published on June 7, 2010, at 75 FR 32231, and we received one public comment:

On May 24, 2010, the National Organization of Social Security Claimants' Representatives (NOSSCR) commented on Form SSA-1695. Their comments pertained to four issues they encountered with the form:

1. SSA's policy is that representatives must submit Form SSA-1695 only to a district office (DO), by mail or fax or in person. We recommend: 1) that representatives could submit the form to the ODAR hearing office, and 2) that it should be possible to submit the form electronically.
2. SSA's policy is that the data from Form SSA-1695 will be entered into SSA's system, and then SSA will shred the form. SSA requires the DO to send an acknowledgement form to the representative. The DO often does not send this form. NOSSCR recommends: 1) that the DO also send Form SSA-1695 back to the attorney, if requested, and 2) the DO should send an email receipt to those attorneys who file the form electronically.
3. SSA's policy is to require the Social Security Number (SSN) of the representative on Form SSA-1695. NOSSCR recommends: 1) that SSA use the firm's tax ID only, or 2) that SSA create a registration system using identifiers other than the SSN.
4. SSA Form-1695 asks for information about auxiliaries. This information, which may not be available at the time representatives submit the form, is not necessary to process a fee payment.

SSA responds to NOSSCR as follows:

NOSSCR primarily directed their comments at the information requested on the SSA-1695 (e.g., the request for the Social Security Number (SSN) of the representative and information concerning auxiliaries) and processing-related problems, which include submitting, disposing and acknowledging of the form by SSA. We appreciate NOSSCR's concerns regarding the design of the SSA-1695 and the manual processing of this form. As we reported to NOSSCR previously, SSA undertook a number of educational and training efforts for our staff related to processing the SSA-1695. In

addition, SSA convened an agency workgroup to design improvements to the appointed representative process. As part of the improvements, we anticipate eliminating the SSA-1695, 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 make accurate direct fee payments to representatives and subsequently issue accurate Forms 1099-MISC to individual representatives and affiliated entities.

SSA did not consult members of the public in the development of this form.

9. Payment or Gifts to Respondents

SSA provides no payment or gifts to respondents.

10. Assurances of Confidentiality

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. Justification for Sensitive Questions

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

12. Estimates of Public Reporting Burden

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 66,667 burden hours. The total burden represents burden hours, and SSA did not calculate a separate cost burden.

13. Annual Cost Burden to the Respondents (Other)

There is no known cost burden to the respondents.

14. Annual Cost To Federal Government

The annual cost to the Federal Government is approximately \$371,000. 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 Collection Request

There are no program changes or adjustments to this information collection request.

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 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 usable 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. Exception 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 is not using statistical methods for this information collection