

Supporting Statement for Form SSA-11-BK
Request to be Selected as Payee
20 CFR 404.2010-404.2055, 20 CFR 416.601-416.665
OMB No. 0960-0014

A. Justification

1. Introduction/Authoring Laws and Regulations

Sections 205 (j) and 1631 (a) (2) of the *Social Security Act* (the *Act*) provide that payment of an individual's Old-Age, Survivors and Disability Insurance and Supplemental Security Income benefits may be certified to a relative or some other person (including an appropriate public or private agency) who is concerned with the welfare of such individual. These sections also require SSA to investigate before certifying payment to such a third party. Sections 20 CFR 404.2010-404.2055 and 416.601-416.665 of the *Code of Federal Regulations* set out procedures and policies for implementing the above sections of the statute. These sections require that the representative payee applicant shall submit such evidence as may be needed to establish a relationship to, or responsibility for, the care of the beneficiary.

On March 2, 2004, Congress enacted the Social Security Protection Act of 2004 (SSPA), *P. L. 108-203*, into law. Sections 103 and 203 of *P. L. 108-203* made changes to the representative payment program. Section 103 of *P. L. 108-203* amends section 205(j)(2) of the *Act*, specifically describing individuals who SSA should not choose to serve as representative payees. Section 205(j)(2)(A) requires the agency to investigate the representative payee applicant prior to certifying payment of another person's benefit to him/her as representative payee. As part of the investigation, section 103 of the SSPA amends section 205(j)(2)(B) of the *Act* to require that the agency obtain information concerning whether the applicant committed any offense under federal or state law that resulted in conviction and imprisonment for more than 1 year. We also obtain information regarding whether the applicant is a probation or parole violator as described in section 202(x)(1)(A)(v) of the *Act*.

Section 203 of the SSPA amends section 202(x)(1)(A)(v) of the *Act* to define a probation or parole violator as a person who is violating a condition of probation or parole imposed under Federal or State law. In addition, Section 203 of the SSPA denies payment to people who violate probation or parole under Federal or State law. These changes require the representative payees to report if either they or the beneficiaries violate a condition of probation or parole under Federal or State law during any month. To accommodate these further revisions to the law, SSA is adding an additional question to #17 of the SSA-11-BK, as well as a statement to the reporting responsibilities relating to probation and parole violation on the form. (See attached Addendum for detailed outline of modification to the SSA-11-BK.)

2. Description of Collection

The Social Security Administration (SSA) requires the information collected by the form SSA-11-BK as part of its investigation of a potential payee for a Social Security, Supplemental Security, or Special Veterans benefits recipient. These investigations

obtain information from a payee regarding the applicant's relationship to the beneficiary, personal qualifications, their concern for the beneficiary's well-being and their intended use of benefits if appointed as payee. The respondents are individuals, private sector businesses and institutions, and state and local government institutions and agencies.

3. Use of Information Technology to Collect the Information

In accordance with the agency's Government Paperwork Elimination Act plan, SSA collects information electronically for approximately 66 percent of the respondents through the Representative Payee System. Although this a convenient and efficient way to obtain the information, SSA's experience to date has been that the electronic method of collection takes as long as completing a paper copy.

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

Although the collection of information will involve some small businesses or other small entities (such as nursing homes), SSA has taken all possible steps to minimize the burden.

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

When evidence shows that a beneficiary needs a representative payee to manage the benefit funds, SSA collects the information on the SSA-11-BK to determine whether the payee applicant is qualified to fulfill the responsibilities of this role. If SSA did not collect this information, we may inadvertently select a payee who might not manage the funds in the best interest of the beneficiary, thereby not meeting the beneficiary's needs. Therefore, we cannot collect the information 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 May 13, 2010, at 75 FR 27036, and SSA received no public comments. The 30-day Federal Register Notice published on August 2, 2010, at 75 FR 45190. If we receive any comments in response to the 30-day Notice, we will forward them to OMB. SSA did not consult members of the public in the development or maintenance of this form.

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

Approximately 1,500,000 respondents complete Form SSA-11-BK annually, as shown in the charts below:

Individuals/Households (90%)

Collection Method	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Total Annual Burden (hours)
Representative Payee System (RPS)	135,000	1	10.5	23,625
RPS/Signature Proxy	765,000	1	9.5	121,125
Paper Version	450,000	1	10.5	78,750
Total	1,350,000			223,500

Private Sector (9%)

Collection Method	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Total Annual Burden (hours)
Representative Payee System (RPS)	13,500	1	10.5	2,363
RPS/Signature Proxy	76,500	1	9.5	12,113
Paper Version	45,000	1	10.5	7,875
Total	135,000			22,351

State/Local/Tribal Government (1%)

Collection Method	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Total Annual Burden (hours)
Representative Payee System (RPS)	1,500	1	10.5	263
RPS/Signature Proxy	8,500	1	9.5	1,346
Paper Version	5,000	1	10.5	875
Total	15,000			2,484

Grand Total	1,500,000			248,335
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The total burden for this ICR is 248,335 hours. This figure represents burden hours, and we did not calculate a separate cost burden.

13. Annual Cost to the Respondents (Other)

This collection does not impose a known cost burden to the respondents.

14. Annual Cost To Federal Government

The annual cost to the Federal Government is approximately \$4,612,500. This estimate is a projection of the costs for printing and distributing the collection instrument, and for collecting the information. We estimate \$34,500.00 for 500,000 paper forms, plus \$4,578,000 for collecting electronic responses. We based the electronic response formula on a qualification of a Claims Representative salary (GS 11/5) multiplied by the number of minutes to prepare the form multiplied by the number of electronic responses.

15. Program Changes or Adjustments to the Information Collection Request

There are no changes to the public reporting burden.

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 Employing Statistical Methods

SSA does not use statistical methods for this information collection.