

SUPPORTING STATEMENT  
Direct Deposit Sign-Up Form Standard Form 1199A

A. Justification

1. In the Direct Deposit Program, Federal payments are directed to accounts maintained by recipients at financial institutions. There are two key pieces of information that are necessary in order to route these payments to the account at the financial institution. They are the depositor's account number and the financial institution's routing transit number. This information is used by Treasury, the Federal Reserve System, and the financial institution to route payments to the payee's account, and the remaining information collected allows program agencies to match the payee information to their payment records, and provides the identification and the means to contact those who have processed the forms. The information on the back of the form, and the certification of the payee and the joint account holders) on the front of the form serve to verify their awareness of the legalities/stipulations incurred by their enrollment in the Direct Deposit Program. This information is collected by authority of 5 USC 301; 12 USC 391; 31 CFR 209 or 210; 31 USC 492.
2. See number 1 above.
3. The information that is collected on the Direct Deposit Signup form may also be collected by telephone. All benefit agencies have procedures by which the payee may enroll in the Direct Deposit Program by calling either the agency or the financial institution. In addition, the new Quick\$start enrollment process allows financial institutions to submit enrollment information to the agencies through the Automated Clearing House network.
4. To our knowledge there is no other information collection system, which collects and matches the recipients' names, depositor account numbers at the financial institutions, and routing transit numbers of these financial institutions. This matching must be carried out by the voluntary completion of this form (or by the methods described in number 3 above) by recipients and financial institutions.

This form seeks to collect only the most basic data, which allows us to route a payment appropriately, via electronic funds transfer.

5. NA
6. In order to enroll recipients in the Direct Deposit Program it is a necessity that this information be collected. In addition, Public Law 104-134, the Omnibus Consolidated Rescissions and Appropriations Act of 1996, requires that virtually everyone who receives payments from the Federal Government receive them by electronic funds transfer by January 1, 1999.

7. There are no special circumstances that would require that this information be collected in the manner described in any of the clauses of this section.

8. Federal Register- 11/3/2003 (Vol 68, Number 212)

To our knowledge there were no comments on this notice.

9. NA

10. The Right to Financial Privacy Act protects individuals from disclosure of their financial records by a financial institution to the Government. With certain exemptions under this Act, no financial institution record of information may be given to the Government by a financial institution without the consent of the individual. It is this situation, which requires us to collect the data originally rather than to attempt to gain reference to another source.

The personal identifier information collected on this form is already collected and handled by two parties involved in the collection process: financial institutions and Federal agencies. It is presumed that they will continue to use existing methods of safeguarding this information. Privacy Act of 1974 information is printed on the reverse of the form in order that the recipient may read it.

11. There are no sensitive questions in the information collection.

12. Number of respondents- 406,715

Frequency of response- once

Annual hour burden- 69,142 hours (.17 hours per form)

13. There are no costs to respondents other than mailing costs.

14. Annualized costs to government:

Agency information collections mail	406,715	
handling- 30 secs. per form x GS-4/1	<u>x \$.10</u>	
personnel cost \$11.36/hr. = .10	\$40,671	\$40,671

Advise and assist recipients in form	<u>\$18.01/hr.</u> = \$1.50	
completion- 5 min. for every 5th form	12	
x GS-8/2 personnel cost \$18.01/hr. = 1.50		

<u>406,715</u> = 81,343	81,343	
5	<u>x \$1.50</u>	
	\$122,015	\$122,015

Input data into payment system - 2 min. per form by GS-4/1 personnel cost	406,715	
	<u>\$ x .38</u>	
<u>\$11.36</u> = \$.38	\$154,552	\$154,552
30		

Corrections, revisions, returns- 5 min. per every 10th form by GS-8/2	40,672	
	<u>x \$1.50</u>	
<u>\$18.01</u> = \$1.50	\$ 61,008	\$ 61,008
12		

<u>406,715</u> = 40,672
10

TOTAL \$378,246

Note: Printing costs for the form are recouped by the sale of the form to financial institutions through the Superintendent of Documents. The form will be completed by recipients who wish to initiate the Direct Deposit of their Federal payments. The form will also be used to change existing payment information such as the directing of payment to a different financial institution. Completion time for the form is estimated at .17 hours per form (approximately 10 minutes for completion). This estimate is based on the conducting of tests in the office to determine completion time.

The estimates of respondents and burden hours are the result of the following factors:

- a. The number of recipients enrolling in DD/EFT. This program office has no control over the number of enrollments, and additionally, we hope to increase participation through marketing and system expansion effort;
- b. The use of this form to change existing DD/EFT payment information. We are continuing to decrease the use of this form for this purpose. The use of Notification of Change procedures for some of the payment information will decrease the use of this form for that purpose;
- c. Approximately 4.60% of our enrollees die each year. The replacement of these deceased participants does not contribute to a growth in enrollment; however, these replacements are actually new enrollments and must be counted as such.

15. The reason for the reduction in the number of hours shown on line a in Section 13 of Form OMB 83-1 is that due to the increased use of electronic funds transfer there are fewer recipients of Government payments receiving checks, and, therefore fewer left to enroll in the Direct Deposit Program.

16. The results of the collection of this information will not be published.

17. The display of an expiration date on the Standard Form 1199A is unnecessary due to the fact that the form never becomes obsolete. Even if the form should be revised in the future, holders of the old version of the form are allowed to deplete their stock.

18. N/A

B. Collections of Information Employing Statistical Methods.

This information collection does not employ statistical methods.