

## Justification

**Railroad Service and Compensation Reports**

RRB Forms BA-3, BA-4, BA-4 (Internet), BA-12 and G-440

1. Circumstances of information collection - Under Section 9 of the Railroad Retirement Act (RRA) railroad employers are required to submit reports of their employees' service and compensation. Also, under Section 9 of the RRA and Section 6 of the Railroad Unemployment Insurance Act (RUIA), the Railroad Retirement Board (RRB) maintains, for each railroad employee, a record of the compensation paid by all railroad employers for whom the employee worked after 1936. This record, which is used by the RRB to determine eligibility for, and the amount of, benefits due under the laws it administers, is conclusive as to the amount of compensation paid to an employee during the period(s) covered by the report(s) of compensation from the employee's railroad employer(s), except in cases when an employee files a protest pertaining to his or her reported compensation within the statute of limitations cited in Section 6 of the RUIA and Section 9 of the RRA.
2. Purposes of collecting/consequences of not collecting the information - To enable the RRB to establish and maintain the record of compensation, employers are required under Section 6 of the RUIA and Section 9 of the RRA to file with the RRB, in such manner and form and at such times as the RRB by rules and regulations may prescribe, reports of compensation of their employees. These information reporting requirements are identified in 20 CFR 209.6 thru 209.9. The prescribed reporting formats are Forms BA-3 and BA-4. Details about each of the reports follow.

**RRB Form BA-3, Annual Report of Creditable Compensation**, provides the RRB with annual creditable service and compensation for each individual who worked in the railroad industry in a given year. All reports contain a one-line entry for each employee, showing the employee's social security number, name, total compensation creditable under the RUIA, maximum benefit compensation under the RUIA, months in which the employee worked, total service months, total Tier I (regular and miscellaneous) compensation, total Tier II compensation creditable under the RRA and the last daily pay rate for any 8 hour tour-of-duty for the earnings year.

Employers have the option of submitting their reports on Form BA-3, or, in like format, on magnetic tape cartridges, CD-ROM, secure E-mail or File Transfer Protocol (FTP). Format requirements for the magnetic tape cartridges, PC diskettes, and FTP are prescribed in the RRB's Reporting Instructions to Employers. Instructions for completing the paper version are shown on the reverse side of the form.

All formats for the Annual Report of Creditable Compensation are accompanied by Form G-440, Report Specifications Sheet, which is described later in this justification

**The RRB proposes no changes to Form BA-3.**

**RRB Form BA-4, Report of Creditable Compensation Adjustments**, provides the RRB with adjustments to previous reports and any service and compensation omitted from a previous BA-3 report. As with the BA-3 reports, employers may choose to report on Form BA-4 or, in like format, via magnetic tape cartridge, CD-ROM, secure E-mail or FTP.

Format requirements for the magnetic tape cartridges, CD-ROM, secure E-mail and FTP are prescribed in the RRB's Reporting Instructions to Employers. Instructions for completing the paper version are shown on the reverse side of the form.

All formats for the Report of Creditable Compensation Adjustments are accompanied by Form G-440, Report Specifications Sheet, which is described later in this justification.

**The RRB proposes no changes to Form BA-4.**

**Form BA-4 (Internet), Report of Creditable Compensation Adjustments**, is submitted by employers who have authorization to access the RRB's Employer Reporting System (ERS). Access to ERS is granted only to employers who have completed RRB Form BA-12, Application for Employer Reporting Internet Access. Form BA-12 provides information used by the RRB to evaluate the level of access requested and documents the level of access granted. Once the appropriate access is secured, an employer can complete and submit the Form BA-4 (Internet) on-line.

The BA-4 (Internet) is not a form in the traditional sense but more of a process. *Although it collects essentially the same information as the other approved versions of the BA-4*, it consists of a series of screens (which collect the necessary information and provide for the required notices and certifications) and help messages designed to help the user navigate through the system and complete a successful transaction.

**The RRB proposes no changes to Form BA-4 (Internet).**

**Form BA-12, Application for Employer Reporting Internet Access**, is used by the RRB to obtain identifying information from railroad employers about the employees they have selected to use the RRB's Employer Reporting System (ERS) and the appropriate level of access (view only, data entry/modification, or approval submission). Form BA-12 is completed by both the railroad employee seeking system access as well as by an authorized employer representative who approves the request. Within 7 days of the receipt of an acceptable application, the RRB mails a logon identification and a password to the employee that provides initial access to the ERS. Upon initial entry to the system, the employee is prompted to establish a unique password. Completion of the BA-12 is voluntary and is necessary only if an employer wants to submit data and reports via the RRB's Internet-based ERS.

**The RRB proposes no changes to Form BA-12.**

**Form G-440, Reports Specification Sheet**, is submitted with all BA-series Employer Reporting forms submitted on paper, magnetic tape cartridge, CD-ROM, secure E-mail and FTP that require a certification statement. It also identifies the type of report and specifications, if necessary, for the computer. Signing of the certification serves as validation that the certifying officer submitting the report is an authorized official of the railroad employer for whom the data is being reported and acknowledgment of the penalties that may be imposed for submitting a false or fraudulent report.

**The RRB proposes no changes to Form G-440.**

To our knowledge, no other agency uses forms similar to the BA-3, BA-4, BA-4 (Internet), BA-12 or G-440.

3. Planned use of improved information technology or technical/legal impediments to further burden reduction – N/A
4. Efforts to identify duplication and other improvements - This information collection does not duplicate any other information collection.
5. Small business respondents - N.A.
6. Consequences of less frequent collections - Obtaining service and compensation information less frequently would affect the payment of benefits under the RRA and the RUIA. An up-to-date record is essential for the timely and accurate payment of benefits.
7. Special Circumstances - N.A.
8. Consultations outside the agency – In accordance with 5 CFR 1320.8(d), comments were invited from the public regarding the information collection. The notice to the public was published on page 65387 of the October 22, 2010, Federal Register. **On November 22, 2010, the RRB received comments from the Department of Commerce’s, Bureau of Economic Analysis (BEA), strongly supporting the RRB’s continued collection of the data on Forms BA-3(a) and BA-4 stating “these forms are our main data source for key components of BEA’s economic statistics.”** No other comments were received.
9. Payments or gifts to respondents - None
10. Confidentiality - Privacy Act System of Records, RRB-5, Master File of Railroad Employee's Creditable Compensation. In accordance with OMB Circular M-03-22, a Privacy Impact Assessment for this information collection was completed and can be found at <http://www.rrb.gov/pdf/PIA/PIA-BPO.pdf>.
11. Sensitive questions - N.A.
12. Estimate of respondent burden - The burden currently in the inventory for this collection has not changed and is shown below.

**Current Burden**

Reporting	Responses	Time (minutes) <u>1/</u>	Burden (Hours)
<b>BA-3</b>			
Paper	196	116.85 (7,011 min)	22,903
Electronic Media <u>2/</u>	386	46.25 (2,775 min)	17,852
<b>Total BA-3</b>	<b>582</b>		<b>40,755</b>
<b>BA-4</b>			
Paper	160	1.25 (75 min)	200
Electronic Media <u>2/</u>	285	1.00 (60 min)	285
BA-4 (Internet)	3,852	.33 (20 min)	1,284
<b>Total BA-4</b>	<b>4,297</b>		<b>1,769</b>
<b>BA-12</b>			
Initial Access	300	.33 (20 min)	100
Access Termination	50	.166 (10 min)	8
<b>Total BA-12</b>	<b>350</b>		<b>108</b>
<b>G-440 (certification)</b>			
Form BA-3 (zero employees)	96	.25 (15 min)	24
Form BA-11 (zero employees)	305	.25 (15 min)	76
Paper forms (without recap)	446	.25 (15 min)	112
Electronic transactions	904	.50 (30 min)	452
BA-3 and BA-4 (with recap)	368	1.25 (75 min)	460
<b>Total G-440</b>	<b>2,119</b>		<b>1,124</b>
<b>Grand Total</b>	<b>7,348</b>		<b>43,756</b>

1/ Includes time for accumulating and summarizing the data.

2/ Includes, magnetic tape cartridge, CD-ROM, FTP and secure E-mail.

13. Estimated annual cost to respondents or record keepers - N.A.
14. Estimate of cost to Federal Government -N.A.
15. Explanation for changes in burden – N/A
16. Time schedule for data collection and publication - The results of this collection will not be published.
17. Request to not display OMB expiration date - Given the costs associated with redrafting, reprinting, and distributing the forms in this collection in order to keep the appropriate OMB expiration date in place, the RRB requests the authority to **not** display the OMB expiration date on the forms associated with this collection.

18. Exceptions to Certification Statement - None