

**Supporting Statement for Representative Payment Policies and Administrative Procedure
for Imposing Penalties for False or Misleading Statements or Withholding of Information
20 CFR 404.2035(d)(f) and 20 CFR 416.635(d)(f)
OMB No. 0960-0740**

A. Justification

1. Introduction/Authoring Laws and Regulations

The *Social Security Protection Act (SSPA)*, Public Law 108-203, amends representative payment policies by providing additional safeguards for Social Security beneficiaries who have representative payees to receive their benefits. Sections 20 CFR 404.2035(d)-(f) and 20 CFR 416.635(d)(f) of the *Code of Federal Regulations* contain public reporting requirements to fulfill provisions of the SSPA. Sections 205 (j)-(k), 1631(a)(2), and 807 of the *Social Security Act (the Act)* give the Social Security Administration (SSA) the authority to collect the information required by these regulation sections.

2. Description of Collection

This information collection request (ICR) comprises several regulation sections that provide additional safeguards for Social Security beneficiaries whose representative payees receive their payments. SSA requires representative payees to notify us of any event or change in circumstances that would affect receipt of benefits or performance of payee duties. SSA uses the information to determine continued eligibility for benefits, the amount of benefits due, and if the payee is suitable to continue serving as payee. The respondents are representative payees who receive and use benefits on behalf of Social Security beneficiaries.

Sections 20 CFR 404.2035(d)(f) and 416.635 (d)(f) contain the following information collection requirements:

The following regulation sections apply to representative payees for beneficiaries of **Federal Old-Age, Survivors, and Disability Insurance** and **Special Benefits for Certain WWII Veterans**:

- **404.2035(d)** - Representative payees must notify SSA of any event or change in their circumstances that would affect the amount of benefits they receive, their right to receive benefits, or how they receive them.
- **404.2035(f)** - Representative payees must notify SSA of any change in their circumstances that would affect their ability to perform their responsibilities.

The following regulation sections apply to representative payees of **Supplemental Security Income for the Aged, Blind, and Disabled** beneficiaries:

- **416.635(d)** - Representative payees must notify SSA of any event or change in their circumstances that would affect the amount of benefits they receive, their right to receive benefits, or how they receive them.
- **416.635(f)** - Representative payees must notify SSA of any change in their circumstances that would affect their ability to perform their responsibilities.

SSA will use the information mandated by the above regulation sections to ensure representative payees are meeting the safeguard requirements mandated by the SSPA.

3. **Use of Information Technology to Collect the Information**

The agency does not have a prescribed form to collect this information: rather, if circumstances arise that require representative payees to submit this information, they can do so using any modality they wish, in addition to providing proof of the information they are submitting.

In accordance with the agency's Government Paperwork Elimination Act plan, SSA created an Intranet system to enter information during a live interview with the representative payees. Based on our data, we estimate approximately 95% of respondents under this OMB number use the electronic version.

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 could affect small businesses or other small entities, if such groups are representative payees who must report the information mandated by the regulation sections in this ICR. However, since the reporting time is minimal, the impact of the ICR is limited.

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

If we did not collect the information, we would have no means of meeting SSPA mandates. SSA would also lose a valuable means of tracking representative payee changes, resulting in possible overpayments or underpayments of benefits. Because we only collect the information on an as needed basis, we cannot collect it less frequently.

There are no technical or legal obstacles to 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 October 24, 2012, at 77 FR 65044, and we received no public comments. The 30-day FRN published on December 28, 2012 at 77 FR 76591. If we receive any comments in response to this Notice, we will forward them to OMB. SSA did not consult with the public in the maintenance of this ICR.
9. **Payment or Gifts to Respondents**
SSA does not provide payments or gifts to the respondents. However, we do provide payment to Fee-For-Service organizational payees for the beneficiaries they represent.
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**
This ICR does not contain any questions of a sensitive nature.
12. **Estimates of Public Reporting Burden**

Regulation Section	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Total Annual Burden (hours)
404.2035(d) -- Paper/Mail	27,500	1	5	2,292
404.2035(d) -- Office interview/Intranet	522,500	1	5	43,542
404.2035(f) – Paper/Mail	275	1	5	23
404.2035(f) – Office interview/Intranet	5,225	1	5	435
416.635(d) – Paper/Mail	15,000	1	5	1,250
416.635(d) – Office interview/Intranet	285,000	1	5	23,750
416.635(f) – Paper/Mail	150	1	5	13
416.635(f) – Office interview/Intranet	2,850	1	5	238
Total	858,500		-	71,543

The total burden for this ICR is 71,543 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 on the respondents.

14. **Annual Cost To Federal Government**

The annual cost to the Federal Government for the collection of this information is approximately \$1,136,000. This figure represents an estimate of the employee time to collect and input data, either from a mailed-in document or during a field office interview.

15. **Program Changes or Adjustments to the Information Collection Request**

There is an increase in burden hours. The increase stems from an increase in the number of representative payees who notify SSA of events or changes in Social Security beneficiaries circumstances.

16. **Plans for Publication Information Collection Results**

SSA will not publish the results of the information collection.

17. **Displaying the OMB Approval Expiration Date**

Since there are no official documents or forms for the regulation sections requirements, we will continue to request an exception to the requirement to display the OMB approval expiration date.

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.