

**Supporting Statement for
Certificate of Coverage Request
20 CFR 404.1913
OMB No. 0960-0554**

A. Justification

1. Introduction/Authoring Law and Regulations

Section 233 of the *Social Security Act (Act)* authorizes the President to enter into bilateral social security agreements with countries for the purpose of coordinating the social security systems of the two countries. The United States currently has agreements with 24 countries. Section 233(c)(1)(B) of the *Act* and 20 CFR 404.1913 of the *Code of Federal Regulations* state that these agreements eliminate double coverage and taxation (a situation that occurs when a worker from one country works in the other country and would otherwise be subject to social security coverage and taxation by both countries for the same work). Each agreement contains rules for determining which country's laws will cover the period of work and to which system the worker will pay taxes. Each agreement provides that upon the request of the worker or the employer, the country's system under which the period of work is covered will issue a certificate of coverage. The certificate serves as proof of exemption from coverage and taxation under the system of the other country.

2. Description of Collection

To obtain a certificate, the worker or employer is required to write to SSA and provide personally identifiable information and details of employment. The information required to issue a certificate differs depending on the agreement negotiated with a particular country. As a result, SSA created 24 forms for each agreement corresponding to the 24 countries with whom we have agreements. The forms require respondents to provide personally identifiable information about the worker, the employer and residential locations for the worker and employer. Some of the questions include; the applicant's name, U.S. Social Security number, date of birth, country of birth, country of citizenship, country of permanent residence, date of hire, country of hire, beginning and ending date of work assignment in the foreign country, the employer, and residential location in the U.S. and abroad.

The 24 forms generally require similar information throughout, with a few exceptions. For Denmark, Netherlands, Norway, and Sweden, we require information regarding the worker's family members in addition to the regular questions we ask on the forms for the other 20 countries. Our agreements with these four countries require us to include additional questions regarding: the immediate workers' family names, their dates of birth, workers' and families' foreign social insurance numbers, as well as the workers' maiden names.

We also provide pamphlets that instruct workers or employers to write to SSA

and provide the specific required information to apply for a certificate in the country they wish to work. SSA uses the information to determine if the worker should be subject to U.S. social security coverage and taxation in accordance with the provisions of the agreement. The respondents are U.S. citizens and residents who wish to work in a foreign country and their employers.

3. Use of Information Technology to collect the Information

SSA provides paper and electronic pamphlets including the required information to request a certificate. We also provide the same information on the 24 online forms available on our website. We do not provide the forms in the pamphlets. The pamphlets instruct employers or workers to write a letter to SSA and provide specific information on how to apply for a certificate. In addition, we provide our internet web address for individuals to complete an electronic form and submit the required information. For example, pages 4-10 of the pamphlet on the U.S.-Australian agreement (http://www.ssa.gov/international/Agreement_Pamphlets/austria.html), list the information required to request a certificate. While we receive most certificate requests through the mail, we also receive requests by fax. The certificate request forms are available solely on the internet, and we advertise them in the pamphlets. We do not have paper versions of the certificate forms, nor do we provide an option for individuals to print out the web forms to mail to us. Instead, we require the respondents to complete and submit the electronic forms through our website. As of November 2012, approximately sixty percent of the respondents use the electronic forms available on the SSA.gov website: http://www.ssa.gov/international/totalization_agreements.html

4. Why We Cannot Use Duplicate Information

The nature of the information we collect and the manner in which we collect it precludes duplication. SSA does not use another collection instrument to obtain similar data to determine if a worker should be subject to U.S. Social Security law or foreign law under an agreement.

5. Minimizing Burden on Small Respondents

The collection does not adversely affect small businesses. We do not provide anything in particular to address small businesses. However, the certificate requests provide for a very minimal burden to the public and businesses.

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

If we did not collect the information, SSA would be unable to determine whether U.S. workers abroad should be subject to U.S. Social Security law or foreign law under the applicable agreement. In addition, SSA would be unable to issue certificates to exempt workers from foreign social security taxes. As we collect the information only once 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

Prior to implementing a new agreement (and on an ad hoc basis thereafter) SSA meets with representatives of agency counterparts in the other country to determine the information that must appear on a certificate to establish an exemption from social security coverage and taxes. Since the certificates issued by SSA serve to exempt workers from the other country's social security taxes, the information must satisfy the legal requirements and informational needs of that country.

SSA published the 60-day advance Federal Register Notice on June 3, 2013, at 78 FR 33142, and we received no public comments. We published the 30-day Notice on August 14, 2013 at 78 FR 49592. If we receive any comments in response to the 30-day Notice, we will forward them to OMB. We did not consult with the public in the development or revision of these forms.

9. Payment or Gifts to Respondents

SSA does not provide payments or gifts to 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. Any information we collect through the Internet is collected using secure data technology.

11. Justification for Sensitive Questions

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

12. Estimates of Public Reporting Burden

We receive approximately 70,000 requests for certificates annually. We estimate we receive 14,000 requests from individuals and 56,000 from employers. The estimated average response time is 40 minutes for all available request classifications (written letter or internet application) with the exceptions of Denmark, Netherlands, Norway, and Sweden for which we estimate a 44 minute response time. The total annual burden is 46,900 hours (see chart below). The average time estimate for the written letter includes reading the explanatory booklet, while the average time estimate for the online form includes reading the online instructions. Although there are separate explanatory booklets and online forms for each of the agreements, the average hour burden to request a certificate under each agreement varies slightly depending on the number of questions in the questionnaire. We show average burden times in the chart below:

Modality of Collection	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Total Annual Burden (hours)
Requests via Letter – Individuals (minus Denmark, Netherlands, Norway, & Sweden)	5,320	1	40	3,547
Requests via Internet – Individuals (minus Denmark, Netherlands, Norway, & Sweden)	7,979	1	40	5,319
Requests via Letter – Individuals in Denmark, Netherlands, Norway, & Sweden	280	1	44	205
Requests via Internet – Individuals in Denmark, Netherlands, Norway, & Sweden	421	1	44	309
Requests via Letter – Employers (minus Denmark, Netherlands, Norway, & Sweden)	21,279	1	40	14,186
Requests via Internet – Employers	31,920	1	40	21,280

(minus Denmark, Netherlands, Norway, & Sweden)				
Requests via Letter – Employers in Denmark, Netherlands, Norway, & Sweden	1,121	1	44	822
Requests via Internet – Employers in Denmark, Netherlands, Norway, & Sweden	1,680	1	44	1,232
Totals	70,000			46,900

The total burden for this ICR is 46,900 hours. This figure represents burden hours and we did not calculate a separate cost burden.

13. Annual Cost to the Respondents

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

14. Annual Cost to the Federal Government

The annual cost to the Federal Government is approximately \$58,400. This estimate is a projection of the costs for printing and distributing the collection instruments, and for collecting and processing the information. Since the implementation of the Internet application, the annual printing cost for the Certificate of Coverage decreased. The operating cost for the online Internet application is minimal.

15. Program Changes or Adjustments to the Information Collection Request

The burden increase is a result of adding three new agreements (the Czech Republic, Denmark and Poland), and the addition of the Internet-only forms. We also needed to increase the burden for the data collected from workers in Denmark, Netherlands, Norway, and Sweden due to additional questions ask as part of our agreements with those countries. See addendum for additional information.

16. Plans for Publication Information Collection Results

SSA will not publish the results of the information collection

17. Displaying the OMB Approval Expiration Date

For the Internet versions of the booklets and the online forms: SSA will place the expiration date on the internet versions of the booklets upon approval of this clearance package. SSA will add expiration dates on the online forms as required by OMB and SSA policy.

For the paper versions of the booklets: OMB granted SSA an exemption from the requirement to print the OMB expiration date on its program forms and pamphlets. SSA produces millions of public-use forms and pamphlets with life cycles exceeding those of an OMB approval. Since SSA does not periodically revise and reprint its public-use forms and pamphlets (e.g., on an annual basis), OMB granted this exemption so SSA would not have to destroy stocks of otherwise useable forms and pamphlets 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.