

**Supporting Statement for Form SSA-150
Modified Benefit Formula Questionnaire
OMB No. 0960-0395**

A. Justification

1. Introduction/Authoring Laws and Regulations

Sections 215(a)(7) and 215(d)(3) of the *Social Security Act* contain the formulas the Social Security Administration (SSA) uses to compute Social Security benefits for retired and disabled workers receiving pensions from employment that are not covered by Social Security. The Technical and Miscellaneous Revenue Act of 1988, *Public Law 100-647*, provided a change in the way SSA computes benefits for retired and disabled workers receiving pensions from employment not covered by Social Security. The purpose of the Windfall Elimination Provision (WEP) is to remove an unintended advantage that the Social Security benefit formula provided for persons who have substantial pensions from non-covered employment.

2. Description of Collection

SSA collects information on the SSA-150 to determine the correct formula to use in computing the Social Security benefit for someone who receives a pension from employment not covered by Social Security. WEP requires use of a benefit formula that replaces a smaller percentage of a worker's pre-retirement earnings. However, the resulting amount cannot show a difference in the benefit computed using the modified and regular formulas greater than one-half the amount of the pension received in the first month an individual is entitled to both the pension and the Social Security benefit. The SSA-150 collects the information needed to make all the necessary benefit computations. SSA requires the respondents to furnish the information on form SSA-150 so we can calculate their benefits using the data they supply. SSA calculates the benefits of applicants that do not respond to this questionnaire using the full WEP reduction. SSA employees collect this information once from the applicant at the time they file their claim. The respondents are applicants for old age and disability benefits.

3. Use of Information Technology to Collect the Information

In accordance with the agency's Government Paperwork Elimination Act plan, SSA collects the information requested on the SSA-150 on our internal Modernized Claims System (MCS) screens as part of a personal interview with the respondent. SSA estimates that about 80 percent of the respondents under this OMB number provide the information through a personal interview with a claims representative who completes the MCS screens. We also make the form available to the public as a printable PDF through SSA's website.

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 does not affect small businesses or other small entities.

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

SSA collects this information to prevent a windfall of Social Security benefits for retired and disabled workers. If we did not collect it, claimants who receive benefits from employment not covered by Social Security would receive an incorrect benefit amount from Social Security, which would not be compliant with WEP. Since we only collect this information once from each applicant, we cannot collect this information 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 December 17, 2013, at 78 *FR* 76378, and we received no public comments. SSA published the second Notice on March 28, 2014, at 79 *FR* 17632. If we receive comments in response to the 30-day Notice, we will forward them to OMB. We did not consult with the public in the revision of this form.

9. Payment or Gifts to Respondents

SSA does not provide payments 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 90,000 respondents take 8 minutes to complete Form SSA-150 each year. Accordingly, the burden is 12,000 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 \$138,600. This estimate is a projection of the costs for printing and distributing the collection instrument and for collecting the information.

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.