

**SUPPORTING STATEMENT FOR FORM SSA-7157
FARM ARRANGEMENT QUESTIONNAIRE
20 CFR 404.1082(c)
OMB No. 0960-0064**

A. Justification

1. Introduction/Authoring Laws and Regulations

Section 20 *CFR 404.1082(c)* of the *Code of Federal Regulations* outlines the procedures SSA uses to determine if income from farm rentals should be included in determining self-employment net earnings.

2. Description of Collection

When self-employed workers submit earnings figures to SSA, they cannot count rental income from a farm they own unless they demonstrate “material participation” in that farm’s operation. A material participation arrangement means the farm owners must perform a combination of physical duties, management decisions, and capital investment in the farm they are renting. SSA uses Forms SSA-7157, the Farm Arrangement Questionnaire, to document material participation. The respondents are workers who are renting farmland to others; are involved in the operation of the farm; and want to claim countable income from work they perform relating to the farm.

3. Use of Information Technology to Collect the Information

SSA did not create an electronic version of Form SSA-7157 under the agency’s Government Paperwork Elimination Act (GPEA) plan because only 38,000 respondents complete the form. This is less than the GPEA cut-off of 50,000.

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 significantly affect small businesses or other small entities.

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

If we did not use Form SSA-7157, self-employed farmers who are renting out farm property and are materially participating in that farm’s operation, would have no means of counting income from the farm on their earnings records. Because we collect this information annually, SSA cannot reduce the frequency of

use for the information collection.
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 April 23, 2014, at 79 FR 22752, and we received no public comments. The 30-day FRN published on July 2, 2014 at 79 FR 37828. 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 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 is requesting 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

Modality of Completion	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Total Annual Burden (hours)
SSA-7157	38,000	1	30	19,000

The total burden for this ICR is 19,000 hours. This figure represents burden hours, and we did not calculate a separate cost burden.

13. Annual Cost to the Respondents (Other)

This information collection does not impose costs on the respondents.

14. Annual Cost To Federal Government

The annual cost to the Federal Government for this collection is approximately \$117,040. 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 will not use statistical methods for this information collection.