

Justification

**Railroad Service and Compensation Reports/
System Access Application/Report Certification**

RRB Forms BA-3, BA-3 (Internet), 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 by 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 9 of the RRA and Section 6 of the RUIA.
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, reports of their employees' compensation in such manner and form and at such times as the RRB by rules and regulations may prescribe,. These information reporting requirements are identified in 20 CFR 209.8 through 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 works 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 compensation under the RRA, total Tier II compensation creditable under the RRA, miscellaneous and sick pay under the RRA, and the last daily pay rate for any 8 hour tour-of-duty for the earnings year.

Employers currently have the option of submitting their reports on magnetic tape cartridges, CD-ROM, secure Email, ƒ File Transfer Protocol (FTP) or online through the RRB's Employer Reporting System (ERS), which is described under **Form BA-3 (Internet)** later in this justification. The report specifications and record format requirements for the magnetic tape cartridges and FTP are prescribed in the RRB's Reporting Instructions to Employers.

Filing a BA-3 report by secure Email, FTP, CD-ROM and magnetic tape requires, among other things, that the employer sign the certification statement that is provided on Form G-440, *Report Specifications Sheet*, upon submission of a completed BA-3 report. Form G-440 is described later in this justification.

The RRB proposes no changes to Form BA-3. However, we propose to eliminate the paper version of the form from the collection. Beginning in 2014, we no longer

accept BA-3 paper forms. Employers are now required to report via magnetic tape cartridge, CD-ROM, FTP, secure Email, or online using ERS

Form BA-3 (Internet), Annual Report of Creditable Compensation, 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, grant, and document the level of access requested (view/only, data entry/modification, or approval/submission). Once the appropriate access is secured, an employer can complete and submit the BA-3 report online.

The online version of Form BA-3 *collects essentially the same information as the other approved versions of the BA-3*, however, it consists of a series of screens, which collect the necessary information and provide for the required notices and certifications, as well as help messages designed to guide the user through the system and complete a successful transaction.

Different from the other formats for filing a BA-3 report, filing online does not require the employer to sign the certification statement on Form G-440, *Report Specifications Sheet*, and submit it with every report. Instead, the employer signs the certification statement on Form BA-12 once; at the time that they apply for access to ERS.

The RRB proposes no changes to Form BA-3 (Internet).-

RRB Form BA-4, Report of Creditable Compensation Adjustments, is used by employers to provide the RRB with adjustments to previous reports and any service and compensation omitted from a previous BA-3 report. Employers have the option of submitting their reports—on Form BA-4 or, in like format, via magnetic tape cartridge, CD-ROM, secure Email, or FTP or through the RRB's Employer Reporting System (ERS), which is described under **Form BA-4 (Internet)** later in this justification. The report specifications and record format are prescribed in the RRB's Reporting Instructions to Employers.

Filing a BA-4 report by secure Email, FTP, CD-ROM and magnetic tape requires, among other things, that the employer sign the certification statement that is provided on Form G-440, *Report Specifications Sheet*, which they return with the completed BA-4 report. Form G-440 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 document the level of access granted (view/only, data entry/modification, or approval/submission). Once the appropriate access is secured, an employer can complete and submit the BA-4 (Internet) online.

The BA-4 (Internet) *collects essentially the same information as the other approved versions of the BA-4*, however, 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.=

Different from the other formats for filing a BA-4 report, filing online does not require the employer to sign the certification statement on the Form G-440, *Report Specifications Sheet*, and submit it with every report. Instead, the employer signs the certification statement on Form BA-12 once; at the time that they apply for access to ERS.

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 (read only, update (data entry/modification), and approval (certify and submit). 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 ERS. Upon initial entry to the system, the employee is prompted to establish a unique password. Form BA-12 is also used by an employer to terminate an employee's access. Completion of the BA-12 is voluntary and is necessary only if an employer wants to submit data and reports online.

The RRB proposes minor non-burden impacting editorial and cosmetic changes to Form BA-12 to include the addition of Forms G-88A.1, G-88A.2 (OMB No. 3220-0005); Form G-88P, (OMB No. 3220-0089); and Forms ID-3S, ID-3U, ID-30B, SI-5F (SUP) (OMB No. 3220-0036) as ERS filing options

Form G-440, Report Specification Sheet, is submitted with all BA-series Employer Reporting forms submitted via paper, magnetic tape cartridge, CD-ROM, secure Email 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 for Form G-440.

To our knowledge, no other agency uses forms similar to the BA-3, BA-3 (Internet), 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 – Consistent with various OMB/PRA directives, the RRB continues to strive to replace the use of paper with electronic processing. During this last reporting period we eliminated the use of paper form BA-3. Later in FY 2015, we anticipate elimination of the paper version of Form BA-4.

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 63652 of the October 24, 2014, Federal Register. **On November 25, 2014, 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 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 current and proposed burdens for this collection are as follows.

Current Burden

Reporting	Responses	Time (minutes) <u>1/</u>	Burden (Hours)
BA-3			
Paper	20	116.85 (7,011 min)	2,337
Electronic Media <u>2/</u>	152	46.25 (2,775 min)	7,030
BA-3 (Internet)	410	46.25 (2,775 min)	18,963
Total BA-3	582		28,330
BA-4			
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
Total BA-4	4,297		1,769
BA-12			
Initial Access	550	.33 (20 min)	183
Access Termination	50	.166 (10 min)	8
Total BA-12	600		191
G-440 (certification)			
Form BA-3 (zero employees)	26	.25 (15 min)	7
Form BA-11 (zero employees)	138	.25 (15 min)	35
Paper forms (without recap)	270	.25 (15 min)	68
Electronic transactions	728	.50 (30 min)	364
BA-3 and BA-4 (with recap)	200	1.25 (75 min)	250
Total G-440	1,362		724
Grand Total	6,841		31,014

1/ Includes time for accumulating and summarizing the data.

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

Proposed Burden

Reporting	Responses	Time (minutes) <u>1/</u>	Burden (Hours)
BA-3			
Electronic Media <u>2/</u>	96	46.25 (2,775 min)	4,440
BA-3 (Internet)	617	46.25 (2,775 min)	28,536
Total BA-3	713		32,976
BA-4			
Paper	40	1.25 (75 min)	50
Electronic Media <u>2/</u>	345	1.00 (60 min)	345
BA-4 (Internet)	3,912	.33 (20 min)	1,304
Total BA-4	4,297		1,699
BA-12			
Initial Access	295	.33 (20 min)	98
Access Termination	38	.166 (10 min)	7
Total BA-12	333		105
G-440 (certification)			
Form BA-3 (zero employees)	19	.25 (15 min)	5
Form BA-11 (zero employees)	60	.25 (15 min)	15
Paper forms (without recap)	7	.25 (15 min)	1
Electronic transactions	94	.50 (30 min)	47
BA-3 and BA-4 (with recap)	125	1.25 (75 min)	156
Total G-440	305		224
Grand Total	5,648		35,074

1/ Includes time for accumulating and summarizing the data.

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

	Responses	Hours
Total burden Change	-1,193	+4,060
Adjustment	-1,193	+4,060

13. Estimated annual cost to respondents or record keepers - N.A.

14. Estimate of cost to Federal Government - N.A.

Explanation for changes in burden - The estimated overall responses for this collection have decreased by 1,193, from 6,841 to 5,648 while the burden hours have increased by 4,060, from 31,014 to 35,074. This is due to several reasons primarily due to Improved internal tracking that has resulted in more accurate estimates of actual responses for Form BA-3 (and all forms in the collection) resulting in a significant increase in both the amount of annual responses and burden hours. The increase is somewhat offset by the decreased

use of Form BA-12 to sign up for on-line use, and the decreased use of Form G-440 as employers have transitioned to filing their reports online using ERS. We have shown the -1,193 responses and +4,060 burden hours as an adjustment.

NOTE that going forward we estimate that the amount of responses and resulting decrease in burden for Form BA-12 will continue to decrease as most employers have now obtained access to use ERS to file their reports. Lastly, we anticipate the G-440 specification and certification sheet will also continue to decrease as most employers have now signed up to use ERS to file their reports.

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