

Justification  
**Railroad Separation Allowance or Severance Pay Report**  
 RRB Form BA-9 and BA-9 (Internet)

1. Circumstances of information collection - Section 6 of the Railroad Retirement Act, provides for a lump-sum payment to an employee or the employee's survivors equal to the Tier II taxes paid by the employee on a separation allowance or severance payment for which the employee did not receive credits toward retirement. The lump sum is not payable until retirement benefits begin to accrue or the employee dies. This provision is effective retroactively for separation and severance payments made beginning January 1, 1985.

Section 4(a-1)(iii) of the Railroad Unemployment Insurance Act (RUIA) provides that a railroad employee who is paid a separation allowance is disqualified for unemployment and sickness benefits for the period of time the employee would have to work to earn the amount of the allowance.

The requirements for railroad employers to prepare and file a report of employee separation allowances and severance payments to railroad employees and survivors of railroad employees are prescribed in 20 CFR 209.14 and in 45 U.S.C. 354(a-1)(iii), 45 U.S.C. 355(b) and 45 U.S.C. 359(a).

2. Purposes of collection/consequences of not collecting the information - **Form BA-9, Report of Separation Allowance or Severance Pay**, is the form used by the Railroad Retirement Board (RRB) to calculate the lump-sum payment provided to railroad employees or their survivors. In order to provide these payments, the RRB must collect and maintain records of separation allowances and severance payments which were subject to Tier II taxation. The RRB uses Form BA-9 to obtain, on a quarterly basis, the information needed from railroad employers concerning the separation allowances and severance payments made to railroad employees and/or their survivors by the RRB after December 31, 1988. Form BA-9 is also used by employers to report adjustments to reported severance pay. All reports contain a one-line entry for each such payment or adjustment.

Employers have the option of submitting their reports on Form BA-9, or, in like format via CD-ROM, secure E-mail, or File Transfer Protocol (FTP). The instructions for completing Form BA-9 and the burden statement relating to the estimated completion time for the information collection are shown on the reverse side of the form. Electronic formats CD-ROM, secure E-mail, and FTP are prescribed in Appendix 1 of the RRB's Reporting Instructions to Employers. Program Letter 2008-05 explains the secure E-mail and FTP processes, contains the file layout, and includes the required Paperwork Reduction Act notices. All reports of separation allowances and severance payments are accompanied by Form G-440, Report Specifications Sheet. The G-440 provides information as to the type of report and specifications, if necessary, for the computer. The form also provides for the signature and identifying information of a certifying officer.

**The RRB proposes to eliminate the magnetic tape and tape cartridge versions. The RRB proposes no changes to the manual, CD-ROM, secure email, or FTP versions.**

Further, in accordance with the Government Paperwork Elimination Act, which requires Federal agencies to provide its customers the option to submit or transact business with agencies electronically, when practical, as a substitute for paper, **the RRB proposes the addition of an Internet equivalent version of Form BA-9 to the information collection.** The proposed BA-9 (Internet), *Report of Separation Allowance or Severance Pay*, will be transmitted to employers who have obtained access to the RRB's Employer Reporting System (ERS).

Access to ERS is granted only to employers and their designees who have completed RRB Form BA-12, Application for Employer Reporting Internet Access (3220-0008), which provides information used by the RRB to evaluate, grant, and document the level of access requested (view/only, data entry/modification or approval/submission).

The proposed BA-9 (Internet) is not a form in the traditional sense but more of a process. Although it collects essentially the same information as the approved manual version of Form BA-9, it consists of a series of screens with completion instructions, 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-9 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 proposed BA-9 (Internet) was reviewed by staff of the RRB's General Counsel and Chief Information Officer and found to be acceptable. Subsequently, the form was reviewed and approved for use (**pending OMB approval**) by the RRB's Board Members.

A document titled "Description of Proposed BA-9 Screens" providing details regarding content and how to navigate each screen is included in the document section of the BA-9 IC documents. Also included in the ICR supplementary document section is a draft RRB Program Letter that will be released to Railroad Employers announcing the implementation of the Internet equivalent BA-9.

To our knowledge, no other agency obtains information similar to that obtained by Form BA-9.

3. Planned use of improved information technology or technical/legal impediments to further burden reduction With the proposal of an Internet version of Form BA-9, the RRB has taken steps to offer an electronic alternative.
4. Efforts to identify duplication - This information collection does not duplicate any other information collection.
5. Small business respondents - N.A.
6. Consequences of less frequent collection - Since an up-to-date record is essential for timely and accurate benefits, obtaining the separation allowance and severance pay

information less frequently would affect payment of benefits under the Acts the RRB administers.

7. Special circumstances - None
8. Public comments/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 23307 of the April 27, 2015, Federal Register. No comments were received.
9. Payments or gifts to respondents - N.A.
10. Confidentiality - Privacy Act System of Records, RRB-5, Master File of Railroad Employee's Creditable Compensation and RRB-21, Railroad Unemployment and Sickness Insurance Benefit System. 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 the collection are as follows:

**Current**

Form Number	Annual Responses	Time (Minutes)	Burden (Hours)
BA-9 (paper)	265	76	336
BA-9 (magnetic tape)	50	76	63
BA-9 (CD-ROM)	10	76	13
BA-9 (secure E-mail)	25	76	32
BA-9 (FTP)	10	76	13
<b>Total</b>	<b>360</b>		<b>457</b>

**Proposed**

Form Number	Annual Responses	Time (Minutes)	Burden (Hours)
BA-9 (Paper)	100	76	127
BA-9 (Internet)	215	15	54
BA-9 (CD-ROM)	10	76	13
BA-9 (Secure Email)	25	76	32
BA-9 (FTP)	10	76	13
<b>Total</b>	<b>360</b>		<b>239</b>

	<u>Responses</u>	<u>Hours</u>
<b>Total burden change</b>	<b><u>-0-</u></b>	<b><u>-218</u></b>
<b>Program change</b>	<b><u>-0-</u></b>	<b><u>-218</u></b>

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

14. Estimated cost to Federal Government - N.A.

15. Explanation for change in burden –

The estimated overall responses for this collection have remained the same. However, the burden hours have decreased by 218, from 457 to 239. This decrease is due to the elimination of magnetic tape reporting and the creation of a proposed Internet version.

We anticipate the RRB will receive the 50 responses previously submitted on magnetic tape via the proposed Internet version.

We also estimate that out of the 265 responses currently received by paper, 100 will continue to be submitted on paper and the remaining 165 will be received via the proposed Internet version. This change will decrease the burden hours of the paper BA-9 by 218, from 336 hours to 127 hours.

We anticipate that the 165 previous paper responses along with the 50 previous magnetic tape responses will make the total Internet responses 215. We estimate it will take 15 minutes to complete the 215 responses, creating a burden of 54 hours. This will reduce the total burden hours for this collection by 218 hours, from 457 to 239. We have shown the -218 burden hours as a program change.

16. Time schedule for data collection and publication -The results of this collection will not be published.

17. Request not to display OMB expiration date - The BA-9 is seldom revised. Given the costs associated with redrafting, reprinting, and distributing the form in order to keep the appropriate OMB expiration date in place, the RRB requests authorization to not display the expiration date on the form.

18. Exceptions to Certification Statement - None