

**Supporting Statement for Form SSA-L725**  
**Letter to Employer Requesting Information About Wages Earned by Beneficiary**  
**20 CFR 404.1520, 20 CFR 404.1571-404.1576, and 20 CFR 404.1584-404.1593**  
**OMB No. 0960-0034**

**A. Justification**

**1. Introduction/Authoring Laws and Regulations**

Sections 205(a) and 223(d) of the *Social Security Act (Act)* allow us to collect this information and provide the Commissioner of the Social Security Administration (SSA) with the authority to create regulations for administering the disability provisions of the law. The regulations we use to determine whether we consider work activity substantial gainful activity (SGA) are contained in Sections 20 CFR 404.1520(b), 404.1571-404.1576, and 404.1584-404.1593 of the *Code of Federal Regulations*.

**2. Description of Collection**

Social Security disability beneficiaries receive payments based on their inability to engage in SGA because of a physical or mental condition. If beneficiaries or claimants work, SSA must evaluate and determine if they continue to meet the disability requirements of the law. We use Form SSA-L725 to request monthly earnings information from the recipient's employer. The SSA-L725 can be completed over the phone or via mail. We use the earnings data to determine whether the claimant or beneficiary is engaging in SGA, since work above the SGA level can cause a denial or cessation of disability. While it is mandatory for claimants and beneficiaries to provide earnings information, the collection of this information is voluntary for respondents. The respondents are businesses which employ Social Security disability recipients.

**3. Use of Information Technology to Collect the Information**

Form SSA-L725 is available on SSA's website as a print-only PDF file. SSA did not create an electronic version of Form SSA-L725 under the agency's Government Paperwork Elimination Act plan because the agency prepares the notice by entering case specific data (i.e., employer's name and address; beneficiary's name; address; claim number; and the year(s) for which we need the wage report(s)). Until we have an Internet system that can pre-fill this information, we cannot create an electronic version.

**4. Why We Cannot Use Duplicate Information**

The nature of the information we collect and the manner in which we collect it preclude duplication. SSA does not use another collection instrument to obtain similar data.

**5. Minimizing Burden on Small Respondents**

This collection does affect small businesses or other small entities.

**6. Consequence of Not Collecting Information or Collecting it Less Frequently**  
 We use Form SSA-L725 only when we need evidence of monthly earnings to evaluate work. Because we collect this information on an as needed basis, we cannot collect it 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 September 19, 2017, at 82 FR 43804, and we received no public comments. The 30-day FRN published on December 5, 2017 at 82 FR 57520. If we receive any comments in response to this Notice, we will forward them to OMB.

**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**

<b>Modality of Completion</b>	<b>Number of Respondents</b>	<b>Frequency of Response</b>	<b>Average Burden Per Response (minutes)</b>	<b>Estimated Total Annual Burden (hours)</b>
SSA-L725	150,000	1	40	100,000

The total burden for this ICR is **100,000** hours. We based these figures on current management data information. We did not calculate a separate cost burden.

**13. Annual Cost to the Respondents (Other)**  
 The collection does not impose a known cost burden on the respondents.

**14. Annual Cost to Federal Government**  
 The annual cost to the Federal Government is approximately \$217,513. This estimate accounts for costs from the following areas: (1) designing, printing, and distributing the form; and (2) SSA employee (e.g., field office, 800 number, DDS staff) information collection and processing time.

**15. Program Changes or Adjustments to the Information Collection Request**

There are no changes in 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. Collection of Information Employing Statistical Methods**

SSA does not use statistical methods for this information collection.