

**Supporting Statement for Form SSA-L4201**  
**Letter to Employer Requesting Wage Information**  
**OMB No. 0960-0138**

**A. Justification**

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

Social Security Administration (SSA) must establish and verify wage data, along with other factors, when determining Supplemental Security Income (SSI) eligibility and payment amounts for SSI applicants and recipients. Sections 1611(c) and 1612(a)(1) of the *Social Security Act (Act)* provide SSA the authority to collect the information requested on Form SSA-L4201. Furthermore, Section 1631(e)(1) of the *Act* requires SSA to verify information from independent or collateral sources when used to determine eligibility for SSI benefits.

**2. Description of Collection**

SSA bases an individual's eligibility for SSI payments, in part, on the amount of countable income the individual receives. We consider earned income from employment as a source of countable income. SSA uses Form SSA-L4201 to collect wage data from employers to verify wage information, which SSI applicants and recipients provide. SSA uses this data to determine eligibility and proper payment amounts for SSI. Respondents are employers of SSI applicants and recipients.

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

SSA solicits the information from employers using paper Form SSA-L4201. SSA employees enter the information into the SSI Claims System (i.e., Modernized SSI Claims System (MSSICS)/SSI Claim) after we receive a completed Form SSA-L4201. We did not create an electronic version of the SSA-L4201 under the Government Paperwork Elimination Act as SSA prioritizes forms with higher usage, and we do not have the resources to work on the lower usage forms at this time. However, as noted in #5 below, we try to collect this information via telephone interview during which the SSA employee records the information using the SSI Claim System. We only send the paper form when we are unable to reach the employers via telephone.

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

SSA uses similar forms for Retirement, Survivors, and Disability Insurance (RSDI) purposes. However, those forms are not suitable for SSI purposes because of the difference in the "earned income" information used by the two programs. The amount actually paid in a given month is critical to correct payment for SSI purposes, and the amount earned in a given month is significant for RSDI purposes. Therefore, we need the SSA-L4201 to collect this data for SSI purposes.

- 5. Minimizing Burden on Small Respondents**  
SSA may use the SSA-L4201 to collect wage information from small businesses; however, the employer response is voluntary. Before SSA collects information using the SSA-L4201, we try to minimize the burden on the employer by first attempting to verify past wages (e.g., via employee payroll slips or wage receipts) and estimate future wages using evidence the claimant provides. If payroll slips are unavailable, we accept wage verification from an SSA-approved wage verification company as primary evidence of wages. If the employer has not registered with an SSA-approved wage verification company, SSA contacts the employer to verify wages. SSA does not have a specific data collection form for the collection of information taken by telephone. SSA claims representatives responsible for obtaining and recording wage information record this information on the paper Form SSA-L4201. If SSA is unable to collect wage information from the employer over the telephone, then SSA mails the SSA-L4201 to the employer. Based on the above, this collection does not significantly affect small businesses or other small entities.
- 6. Consequences of Not Collecting Information or Collecting it Less Frequently**  
For SSA to ensure correct payments and minimize overpayments to SSI claimants and recipients, SSA must verify income and information about current wages. The consequence of not collecting this information is an increased potential for incorrect SSI payments. If we updated the wage information less frequently, it could cause an increase in inaccurate payments to recipients. Therefore, we cannot collect this information less frequently. There are no technical or legal obstacles that prevent burden reduction.
- 7. Special Circumstances**  
There are no special circumstances that would cause SSA to collect this information 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 November 9, 2017, at 82 FR 52088, and we received no public comments. The 30-day FRN published on January 12, 2018 at 83 FR 1651. 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 Collection</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-L4201	133,000	1	30	66,500

The total burden for this ICR is **66,500** hours. We based these figures on current management information data. We did not calculate a separate cost burden.

**13. Annual Cost to the Respondent (Other)**

This collection does not impose a known cost burden to the respondents.

**14. Annual Cost to the Federal Government**

The annual cost to the Federal Government is approximately \$614,460. This estimate accounts for costs from the following areas: (1) designing, printing, and distributing the form; (2) SSA employee (e.g., field office, 800 number, DDS staff) information collection and processing time; and (3) systems development, updating, and maintenance costs.

**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. Collections of Information Employing Statistical Methods**

SSA does not use statistical methods for this information collection.