

**U. S. OFFICE OF GOVERNMENT ETHICS**  
**SUPPORTING STATEMENT FOR THE OGE FORM 450**  
**EXECUTIVE BRANCH CONFIDENTIAL FINANCIAL DISCLOSURE REPORT**  
**OCTOBER 2018**

**A. Justification**

**1.-2. Explain the circumstances that make the collection of information necessary. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The primary use of the information on this form is for review by Government officials of the filer's agency to determine compliance with applicable Federal conflict of interest laws and regulations. The authority for collection of the information on the OGE Form 450 as provided in the underlying Office of Government Ethics (OGE) regulation, primarily at subpart I of 5 CFR part 2634, is two-fold. First, section 201(d) of Executive Order 12674 of April 12, 1989, as amended, directs OGE to establish a system of nonpublic (confidential) financial disclosure by executive branch employees to complement the system of public disclosure under the Ethics in Government Act of 1978 as amended (EIGA), 5 U.S.C. appendix 101. Second, section 107(a) of EIGA authorizes OGE, as the supervising ethics office for the executive branch of the Federal Government, to require that executive agency employees file confidential financial disclosure reports, "in such form as the supervising ethics office may prescribe." The OGE Form 450, together with the underlying OGE regulation initially adopted in 1992 and subsequently modified at 5 CFR part 2634, constitutes the format prescribed by OGE for such confidential financial disclosure in the executive branch.

OGE is submitting a modified OGE Form 450 confidential financial disclosure form package for review and approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (control number 3209-0006). OGE proposes several modifications to the form.

On October 5, 2016, OGE published a proposed rule for amending 5 CFR part 2634. *See* 81 FR 69204 (October 5, 2016). The final rule was published on July 18, 2018, and is effective on January 1, 2019. *See* 83 FR 33980 (July 18, 2018). The proposed modifications to the OGE Form 450 revise the instructions to reflect the changes to the financial disclosure regulation. Specifically, OGE proposes to change the reporting periods for each part completed by new entrants, change the income disclosure threshold to \$1,000 of received income, eliminate the disclosure of diversified funds held within an employee benefit plan, clarify that the disclosure requirement for agreements and arrangements includes those with a current employer, eliminate the disclosure of continued participation in a defined contribution plan to which an employer is no longer making contributions, and combine gifts and travel reimbursement into a single category for purposes of applying the disclosure thresholds.

OGE is also proposing to update the examples provided on the last page of the form and make other minor technical changes.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.**

The OGE Form 450 is available on the OGE Website at <http://www.oge.gov>. The form is a viewable and downloadable PDF version of the form that is both fillable and printable, providing a locally reproducible form for use as needed by agencies and the public. In addition, OGE will continue to allow agencies to electronically duplicate the OGE Form 450, provided that the electronic versions precisely duplicate the paper original. The basis for these electronic initiatives is to lessen burden and to facilitate dissemination to and use of the form by agencies and filers.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.**

Not applicable. The OGE Form 450 is the only executive branchwide form used for employee confidential financial disclosure, though individual agencies have obtained OGE approval for the collection of alternative forms or have separate or supplemental disclosures of information based on independent statutory authorities or other unique circumstances.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

Not applicable. This collection of information does not involve small businesses or other small entities.

**6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing the burden.**

Not applicable. The collection, including its frequency, is required by 5 CFR part 2634, subpart I, which OGE has promulgated under the cited statutory and executive order authority.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

- **Requiring respondents to report information to the agency more often than quarterly;**

- **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **Requiring respondents to submit more than an original and two copies of any document;**
- **Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years;**
- **In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or that unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **Requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

No such special circumstances exist. The confidentiality of the information collected is protected according to the requirements of the Ethics in Government Act, and the Privacy Act, and all other applicable laws and regulations.

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB.**

OGE published a first round *Federal Register* notice of its intent to request paperwork clearance for a modified form on July 11, 2018. *See* 83 FR 32123. OGE received one response to that notice from a private citizen. The private citizen's response was unrelated to the notice and did not address the information collection.

OGE published a second round *Federal Register* notice on October 1, 2018. *See* 83 FR 49384.

OGE continually seeks comments from persons outside the agency concerning the impact of its information collection instruments upon filers and agency ethics programs. OGE provides opportunities for comment at ethics symposia and other events. OGE routinely alerts professionals in the ethics community to recently published OGE *Federal Register* notices via its listserv, various social media applications, and Advisory Memoranda. Visitors to the OGE Website are provided the opportunity to contact OGE with comments or suggestions. In addition, OGE has remained open to any suggestions for improvement received in the course of public comment on the first and second round paperwork notices published in the *Federal Register*. Any ongoing comments received by

OGE as a result of these various means of availability will be considered by OGE for the next paperwork renewal cycle in three years.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

Not applicable. Respondents receive no payments or gifts.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

Assurance of confidentiality is provided to respondents directly in the instructions to the OGE Form 450. That confidentiality is guaranteed by section 107(a) of the Ethics in Government Act of 1978, 5 CFR 2634.604 of OGE's regulation, and the OGE/GOVT-2 Executive Branch Confidential Financial Disclosure Reports Privacy Act system of records.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.**

All of the personal financial information required to be reported on the OGE Form 450, as provided in 5 CFR part 2634, is deemed necessary by OGE to permit sufficient agency review for conflict of interest purposes. No sensitive non-financial personal information is collected.

**12. Provide estimates of the hour burden of the collection of information.**

OGE estimates that an average of approximately 24,640 OGE Form 450 reports will be filed each year by private citizen filers. This number was calculated based on OGE's annual agency ethics program questionnaire responses. (Private citizen filers are potential incoming employees whose positions are designated for confidential financial disclosure reporting).

OGE has updated the estimated average time required to complete each form from one hour to three hours. The increase is not a result of any proposed changes to the form. Rather, OGE's subject matter experts have noted in recent years an increase in the complexity of financial information provided by many filers. Therefore, OGE has revised its estimate to more accurately reflect the actual time burden required to provide the information required.

Based the above, the annual reporting burden for private citizen filers is estimated to be 73,920 burden hours. The estimated annualized hour burden cost to private citizen filers is \$5,248,320. This estimate is based on the average annual number of private citizen filers multiplied by an average filer wage rate of \$71 per hour (equivalent to a GS-14/10).

**13. Provide an estimate for the total annual cost burden to respondents or record-keepers resulting from the collection of information.**

For the OGE Form 450, OGE estimates annual burden hours and annual burden hours cost, not annual cost burden to the respondents.

**14.-15. Provide estimates of annualized costs to the Federal Government. Explain the reasons for any program changes or adjustments reported on the burden worksheet.**

OGE previously reported that the estimated total annual cost of the OGE Form 450 to the Federal Government was \$48,841,894, noting that the largest contributing factor in the cost computations is the wages of agency ethics officials. This figure was based on the cost of the entire confidential financial disclosure program, including both private citizen filers and government employee filers. Subsequently, OGE realized that the calculation of annualized costs to the Federal Government should be based on the costs to administer the program to private citizen filers only, not the entire confidential financial disclosure program. The number of private citizen filers is small compared to the number of government employee filers; they constitute approximately 7% of all confidential financial disclosure filers. Therefore, the cost to the Federal Government to administer the program to private citizen filers is approximately \$3,418,932.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

Not applicable. This is a confidential financial disclosure reporting form.

**17. If you are seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

OGE requests permission to not display the expiration date on the OGE Form 450 so that it may continue to be used beyond the three-year paperwork approval period requested, subject to appropriate further OMB approval, if the form is not sooner modified.

**18. Explain each exception to the topics of the certification statement identified in Certification for Paperwork Reduction Act Submissions.**

Certification items (c), (f) and (i) are not applicable to this information collection.

**B. Collections of Information Employing Statistical Methods**

Not applicable. This collection of information does not employ statistical methods.