

Justification  
**Railroad Separation Allowance or Severance Pay Report**  
RRB Form BA-9

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 Email, 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 Email, and FTP are prescribed in Appendix 1 of the RRB's Reporting Instructions to Employers. Program Letter 2008-05 explains the secure Email 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 no changes to Form BA-9.**

**For proposed Form BA-9 (Internet) in previous clearance, see item 3.**

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 - Due to unresolved programming issues; monetary and resource constraints; and other competing IT priority projects, we were unable to fully complete the enhancements for the implementation of the Internet version of Form BA-9 proposed in our previous clearance. Therefore, we must retract our request for approval of the Internet version until the programming functionality has been improved. We hope to include a request to implement the Internet version in an out-of-cycle renewal or next renewal in 2021.
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 35032 of the July 24, 2018, 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 <https://www.rrb.gov/sites/default/files/2017-06/PIA-BPO.pdf>.
11. Sensitive questions - N.A.
12. Estimate of respondent burden - The current and proposed burdens for the collection are as follows:

<b>Current</b>			
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>

Proposed

Form Number	Annual Responses	Time (Minutes)	Burden (Hours)
BA-9 (Paper)	100	76	127
BA-9 (CD-ROM)	40	76	51
BA-9 (Secure Email)	60	76	76
BA-9 (FTP)	160	76	203
<b>Total</b>	<b>360</b>		<b>457</b>

	<b>Responses</b>	<b>Hours</b>
<b>Total burden change</b>	<b>-0-</b>	<b>+218</b>
<b>Program change</b>	<b>-0-</b>	<b>+218</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 increased by 218, from 239 to 457. This increase is due to the removal of the BA-9 (Internet) count that we proposed in our last clearance, but were unable to implement (see detailed explanation in Item 3).

During our last clearance, we proposed three things that impacted the burden hours. (1) The removal of magnetic tape reporting, which accounted for 50 annual responses and 63 burden hours; (2) Reducing the amount of paper responses from 265 annual responses and 336 burden hours to 100 responses and 127 burden hours; and (3) Creating an Internet version for employers who previously used magnetic tape and paper forms to report, that would collect the resulting 215 responses and 218 burden hours.

To account for the 215 responses that we will receive from employers, we did a query of the reports received over the last three years and got an accurate count. The query showed that the majority of employers began using the other methods to report with a major increase in FTP reporting. 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 relatively low amount of annual responses, programming associated with updating and maintain multiple form generations, and to avoid confusion to annuitants and staff, the RRB requests authorization to not display the OMB expiration date.
18. Exceptions to Certification Statement - None