

Supporting Statement for Form SSA-820-BK
Work Activity Report - Self-Employment
20 CFR 404.1520(b), 404.1571-404.1576, 404-1584-404.1593, and 416-971-416.976
OMB No. 0960-0598

A. Justification

1. Introduction/Authoring Laws and Regulations

Social Security Title II disability recipients and Title XVI Supplemental Security Income (SSI) claimants receive payments based on their inability to engage in substantial gainful activity (SGA) because of a physical or mental condition. When Title II disability or Title XVI SSI recipients resume work, they must report the work so SSA can evaluate and determine if they continue to meet the disability requirements of the law. Sections 223(d)(4) and 1633 of the *Social Security Act (Act)* authorize SSA to collect this data. These sections direct the Commissioner to provide regulations for administering the disability provisions of the law. Sections 20 CFR 404.1520(b), 404.1571-404.1576, 404.1584-404.1593, and 416.971-416.976 of the *Code of Federal Regulations* contain the regulations codifying these requirements.

2. Description of Collection

SSA uses Form SSA-820-BK to determine initial eligibility for Title II Social Security disability payments or Title XVI SSI payments. Under Titles II and XVI of the *Act*, recipients receive disability or SSI payments based on their inability to engage in SGA due to a physical or mental condition. SSA uses Form SSA-820-BK to determine continuing eligibility for Title II disability payments. Therefore, when Title II recipients resume work, they must report their work so SSA can evaluate and determine by law whether they continue to meet the disability requirements. SSA also uses Form SSA-820-BK to obtain information on self-employment activities of Social Security Title II and XVI disability applicants and recipients. We use the data we obtain to evaluate disability claims, and to help us determine if the claimant meets current disability provisions under Titles II and XVI. Since applicants for disability or SSI payments must prove an inability to perform any kind of SGA generally available in the national economy for which we expect them to qualify based on age, education, and work experience, any work an applicant performed until, or subsequent to, the date the disability allegedly began, affects our disability determination. SSA may collect the information for this form via a phone interview, or by sending the form to the individual to complete. The respondents are applicants and claimants for SSI payments or Social Security disability payments.

3. Use of Information Technology to Collect the Information

Respondents can complete the form via an in-office or phone interview, as SSA field office employees transcribe the information onto the form directly, or the public may print out a PDF version of the form from our website to complete it. If respondents choose to print the form, they must complete it and mail it back to

SSA. This collection does not currently have a fully public-facing Internet version, as we prioritized other information collections for full electronic conversions. As per our 4/3/20 conversation with OIRA, we welcome OIRA to join our conversations with OMB on IT Mods; however, as our IT Mod programming is an ongoing project, we cannot provide timelines for when we will be able to make any particular ICR available via the Internet. We will convert existing ICRs to full electronic versions depending on how they fall within our overall IT Mod schema, but this is unconnected to the PRA approval lifecycle.

4. Why We Cannot Use Duplicate Information

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

5. Minimizing Burden on Small Respondents

This collection does not affect small businesses or other small entities.

6. Consequence of Not Collecting Information or Collecting it Less Frequently

We use Form SSA-820-BK whenever claimants or beneficiaries perform work after the alleged onset of their disability. Since this work could be SGA, if we did not collect this information, it could cause an incorrect initial disability decision, or result in overpayments to a claimant who was receiving payments despite engaging in SGA. 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 August 18, 2020 at 85 FR 50862, and we received no public comments. The 30-day FRN published on October 16, 2020 at 85 FR 65893. 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 payment 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

Please see the burden chart below:

Modality of Completion	Number of Respondents	Frequency of Response	Average Burden per Response (minutes)	Estimated Total Annual Burden (hours)	Average Theoretical Hourly Cost (dollars)*	Average Wait Time in Field Office (minutes)**	Total Annual Opportunity Cost (dollars)***
SSA-820-BK	100,000	1	30	50,000	\$10.73*	24**	\$965,700***

* We based this figure on average DI payments, as reported in SSA's disability insurance payment data. <https://www.ssa.gov/legislation/2020Fact%20Sheet.pdf>

** We based this figure on the average FY 2020 wait times for field offices, based on SSA's current management information data.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. **There is no actual charge to respondents to complete the application.**

In addition, OMB's Office of Information and Regulatory Affairs is requiring SSA to use a rough estimate of a 30-minute, one-way, drive time in our calculations of the time burden for this collection. OIRA based their estimation on a spatial analysis of SSA's current field office locations and the location of the average population centers based on census tract information, which likely represents a 13.97-mile driving distance for one-way travel. We depict this on the chart below:

Total Number of Respondents Who Visit a Field Office	Frequency of Response	Average One-Way Travel Time to a Field Office (minutes)	Estimated Total Travel Time to a Field Office (hours)	Total Annual Opportunity Cost for Travel Time (dollars)****
100,000	1	30	50,000	\$536,500

****We based this dollar amount on the Average Theoretical Hourly Cost Amount in dollars shown on the burden chart above.

Per OIRA, we include this travel time burden estimate under the 5 CFR 1320.8(a) (4), which requires us to provide "time, effort, or financial resources expended by persons [for]...transmitting, or otherwise disclosing the information," as well as 5 CFR 1320.8(b)(3)(iii) which requires us to estimate "the average burden collection...to the extent practicable." SSA notes that we do not obtain or maintain any data on travel times to a field office, nor do we have any data, which shows that the average respondent drives to a field office, rather than using any

other mode of transport. SSA also acknowledges that respondents' mode of travel and, therefore, travel times vary widely dependent on region, mode of travel, and actual proximity to a field office.

NOTE: We included the total opportunity cost estimate from this chart in our calculations when showing the total opportunity cost estimates in the paragraph below.

The total burden for this ICR is **50,000** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$1,502,200**. SSA does not charge respondents to complete our applications.

13. Annual Cost to the Respondents (Other)

This 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 \$1,825,611. This estimate accounts for costs from the following areas:

Description of Cost Factor	Methodology for Estimating Cost	Cost in Dollars*
Designing and Printing the Form	Design Cost + Printing Cost	\$2,278
Distributing, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	0
SSA Employee (e.g., field office, 800 number, DDS staff) Information Collection and Processing Time	GS-9 employee x # of responses x processing time	\$1,750,000
Full-Time Equivalent Costs	Out of pocket costs + Other expenses for providing this service	\$0
Systems Development, Updating, and Maintenance	GS-9 employee x man hours for development, updating, maintenance	\$73,333
Quantifiable IT Costs	Any additional IT costs	\$0
Total		\$1,825,611

* We have inserted a \$0 amount for cost factors that do not apply to this collection.

SSA is unable to break down the costs to the Federal government further than we already have. It is difficult for us to break down the cost for processing a single form, as field office and State Disability Determination Services staff often help

respondents fill out several forms at once, and the time it takes to do so can vary greatly per respondent. As well, because so many employees have a hand in each aspect of our forms, we use an estimated average hourly wage, based on the wage of our average field office employee (GS-9) for these calculations. However, we have calculated these costs as accurately as possible based on the information we collect for creating, updating, and maintaining these information collections.

15. Program Changes or Adjustments to the Information Collection Request

There are no changes to 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

We are 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

We do not use statistical methods for this information collection.