

Supporting Statement for Form SSA-4588
You Can Make Your Payment by Credit Card
OMB Control No. 0960-0462

A. Justification

1. Introduction/Authoring Laws and Regulations

SSA participates in the Card Acquiring Service, formerly referred to as the Plastic Card Network, headed by the U.S. Department of Treasury. The objective of the service is to increase electronic collections received by the Government, and process these transactions in an efficient, timely, and cost-effective manner. Sections 204(a)(1) and 1631(b)(1) of the *Social Security Act* give the Commissioner of the Social Security Administration (SSA) the authority to recover payments from overpaid individuals collecting Title II benefits and Title XVI payments.

2. Description of Collection

SSA uses the information we collect on Form SSA-4588, and its electronic application, SSA-4589, to update individuals' Social Security records to reflect payments made on their overpayments. In addition, SSA uses this information to process payments through the appropriate credit card company. SSA provides a copy of the SSA-4588 when we inform an individual that we detected an overpayment. Individuals may choose to make a one-time payment, or recurring monthly payments, when they complete and submit the SSA-4588. When individuals choose to telephone the Program Service Centers (PSC) to make a one-time payment in lieu of completing Form SSA-4588, an SSA debtor contact representative completes the SSA-4589 electronic Intranet application. SSA employees, who take the telephone calls from individuals making a one-time credit card payment, enter credit card information directly into an electronic Intranet application. Individuals wishing to establish recurring monthly payments must still complete the SSA-4588 paper form due to the original signature requirement. Respondents are Old Age Survivors and Disability Insurance (OASDI) beneficiaries and Supplemental Security Income (SSI) recipients who have outstanding overpayments.

3. Use of Information Technology to Collect the Information

SSA is unable to create an Internet version of Form SSA-4588 because we require an original wet signature to establish recurring credit card payments. SSA keeps the signature on file as proof that the individual requested SSA to charge a specific credit card on a recurring monthly basis. The form requires special technology to process the sensitive financial information, which the form collects. The debtor completes the form and sends it to the appropriate PSC. We will reassess this ability if and when technological advances are created that would allow for us to make this collection available via the Internet. However, an SSA debtor can use the electronic Intranet application SSA-4589 for one-time payments. Based on our data, we estimate approximately 94% of respondents for

this collection use the electronic SSA-4589. In addition, for those who wish to make electronic payments only through the Internet, we also allow respondents to use Pay.gov (OMB #0960-0811). We did not include the burden for the Internet respondents under this information collection because we account for them under OMB No. 0960-0811.

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 not affect small businesses or other small entities.

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

If we did not use Form SSA-4588, and the telephone one-time credit card payment collection (SSA-4589) to collect this information, the agency would not be able to participate in the Card Acquiring Service, and, therefore, could not process credit card payments from overpaid Title II and Title XVI recipients. Because we only collect the 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 February 4, 2021 at 86 FR 8246, and we received no public comments. The 30-day FRN published on April 28, 2021 at 86 FR 22510. If we receive any comments in response to this Notice, we will forward them to OMB.

9. Payment of Gifts to Respondents

SSA does not provide payments or gifts to the respondents.

10. Assurances of Confidentiality

SSA protects and holds confidential the information we collect 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 Amount (dollars)*	Average Wait Time in Field Office or for Teleservice Centers (minutes)**	Total Annual Opportunity Cost (dollars)***
SSA-4588 (Paper)	16,500	1	10	2,750	\$10.95*	24**	\$102,383***
SSA-4589 (Electronic)	258,500	1	5	21,542	\$10.95*	17**	\$1,037,881***
Totals	275,000			24,292			\$1,140,264***

* We based this figure on average DI payments based on SSA's current FY 2021 data (<https://www.ssa.gov/legislation/2021FactSheet.pdf>).

** We based these figures on the average FY 2020 wait times for field offices & teleservice centers, 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.**

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)****
16,500	1	30	8,250	\$90,338

**** 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 **24,292** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$1,230,602**. SSA does not charge respondents to complete our applications. We base our burden estimates on current management information data, which includes data from actual interviews, as well as from years of conducting this information collection. Per our management information data, we believe that the 10 and 5 minutes accurately shows the average burden per response for reading the instructions, gathering the facts, and answering the questions. Based on our current management information data, the current burden information we provided is accurate.

13. Cost to Respondents

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

14. Annual Cost to the Federal Government

The annual cost to the Federal Government is approximately \$688,026. 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	\$250
Distributing, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	\$450
SSA Employee (e.g., field office, 800 number, DDS staff) Information Collection and Processing Time	GS-9 employee x # of responses x processing time	\$680,176
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	\$7,150
Quantifiable IT Costs	Any additional IT costs	\$0
Total		\$688,026

* 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 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

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 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. Exception 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. Statistical Methods

SSA does not use statistical methods for this information collection.