

SUPPORTING STATEMENT

OMB Number 1535-0138

A. Justification for: TreasuryDirect: an electronic process for selling/issuing, servicing, and making payments on or redeeming U.S. securities

1. Explain the circumstances that make the collection of information necessary.

Identify any legal or administrative requirements that necessitate the collection.

Chapter 31 of Title 31 of the United States Code authorizes the Secretary of the Treasury to prescribe the terms and conditions, including the form of issue, of United States Treasury certificates of indebtedness.) Currently, securities are issued via the TreasuryDirect system, an electronic process for selling/issuing, servicing, and making payments on or redeeming U.S. securities.

2. Indicate how, by whom, and for what purpose the information is to be used. The information is used by the Department of the Treasury, Bureau of the Fiscal Service to establish new accounts and process any associated transactions in the electronic system.

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. What consideration is given to use information technology to reduce burden?

The primary method of collection is an online system that removes the burden of processing requests submitted on paper forms. The collection of the information is conducted one time for numerous purchases removing the requirement to submit the same data with each transaction. The customer has access for viewing the status and number of any given security on-line at their convenience eliminating the processing of paper inquiries. The greatest advantage of this method is a direct relationship with our customers while promoting their self-reliance for account maintenance. TreasuryDirect provides a one-stop shopping experience for our customers where they can buy and manage their savings bonds, T-bills, notes and bonds totally online.

To prevent on-line fraud, TreasuryDirect employs two-factor authentication and both automated and procedural controls to prevent the unauthorized processing of transactions and to protect the integrity of our customers' sensitive information.

4. Describe efforts to identify duplication. Why can't any similar information already available be used or modified for use for the purposes described in item 2 above?

No other federal governmental agency collects this type of information for the purpose described in the response to item 2 above. TreasuryDirect only collects the bare minimum information from customers in order to transact financial business with them and to comply with federal rules, policies, and requirements. Where-ever possible, the system uses existing data already collected to save the customer from duplicative data entry.

5. If the collection of information impacts small business or other small entities describe any methods used to minimize burden?

This collection of information does not impact small business or other small entities.

6. What consequences to Federal program or policy activities and what, if any, technical or legal obstacles to reducing burden will occur if this collection is not conducted or is conducted less frequently?

The TreasuryDirect system is the primary way for an individual to purchase securities directly from the Federal government. The government uses these purchases to help manage the national debt and finance its services.

7. Is this collection of information conducted in a manner consistent with the guidelines of 5 CFR 1320.6?

The collection of information cannot be conducted less frequently because the collection is initiated for a single purpose.

8. What effort was made to notify the general public about this collection of information?

The Bureau's notice was published in the Federal Register on May 7, 2019, Page 20001. No comments were received.

9. What decision was made to provide any payment or gift to respondents, other than reenumeration of contractors or grantees?

There are no payments or gifts made to respondents.

10. What assurance of confidentiality was provided to respondents and what was the basis for the assurance in statute, regulations, or agency policy?

The core law protecting TreasuryDirect customers is the Bureau's compliance with the Privacy Act. In addition to the Privacy Act, Bureau employees are required to comply with IRS laws governing protection of customer tax-reporting information. The Bureau of Fiscal Service maintains policies and procedures that regulate the sensitive handling of sensitive personal and financial information.

11. What justification is there for questions of a sensitive nature?

The Bureau of the Fiscal Service conducts a Privacy Impact Assessment (PIA) on information systems collecting personally identifiable information from the public. We do PIAs to ensure that:

- we tell the public the information that we collect about them,
- we adequately address impacts these systems have on personal privacy,
- we collect only enough personal information to administer our programs, and no more

Also, PIAs confirm that we use the information for the purpose intended; that the information remains timely and accurate; that it is protected while we have it, and we hold it only for as long as we need it.

The PIA for the TreasuryDirect system is available at <https://fiscal.treasury.gov/files/pia/treasurydirect-pcia.pdf>

12. What is the estimated hour burden of this collection of information?

Based on an analysis of user interaction with the TreasuryDirect system the typical user took:

- An average of six minutes to complete an account establishment transaction; and
- An average of two minutes to complete an account update transaction.

These are averages based on the fact that initial transactions require more time than updates to existing information. The method of collection may affect the averages as well. For example, the paper version may take longer to complete than the online versions. Based on these findings, the total annual burden hours for the TreasuryDirect system are estimated as follows:

<i>Collection of Information</i>		
Description	Total Transactions	Total Burden Hours
Establishing new primary accounts, 6 minutes each	138,000	13,800
Establishing new linked accounts, 3 minutes each	52,000	2,600
Certifying new primary accounts that failed verification with form – FS 5444 (5 minutes to download and complete the form plus additional time to get proper certification) 30 minutes total	7,300	3,650
Security purchases, 2 minutes each	2,204,000	73,467
Security redemptions <ul style="list-style-type: none"> • By Customer online or with FS Form 5512, 2 minutes each • With Customer Service assistance, 30 minutes each 	750,500	25,250
Security transfers <ul style="list-style-type: none"> • By Customer online, 2 minutes each • By Customer with FS Form 5511, 15 minutes each • With Customer Service assistance, 30 minutes each 	276,100	27,870
Account and banking information updates <ul style="list-style-type: none"> • By Customer online or with FS Form 5512, 2 minutes each • With Customer Service assistance, 30 minutes each 	121,800	4,433
Total estimated annual burden hours:	3,549,700	151,070

13. What is the estimated total annual cost burden to respondents or recordkeepers resulting from this collection of information?

Estimated cost burden to respondents is not available.

14. What is the annualized cost to the Federal Government?

Projected annual operating cost for the TreasuryDirect system is \$7 million.

15. What is the reason for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I?

The projected annual operation costs to the Federal Government increased by \$2 million due to increased costs from our IT service provider.

16. For collections of information whose results will be published, outline plans for tabulation and publication.

The results of the collection of this information will not be published for statistical use.

17. If seeking approval to not display the expiration date for OMB approval of this information collection, what are the reasons that the display would be inappropriate?

The public interest will be better served by not displaying an expiration date on the online system or associated forms. The time period during which the current editions will continue to be usable cannot be predicted. It could easily span several cycles of review and OMB clearance renewal. Displaying the expiration date would make it necessary to update the electronic form and website where it is accessed after each renewal.

Additionally, not displaying the expiration date on the forms will avoid confusion among members of the public who may have identical forms with different expiration dates in their possession. By not displaying the expiration date, supplies of the form could continue to be used regardless of when the OMB approval has expired. This would reduce costs incurred through additional printing and desktop publishing.

18. What are the exceptions to the certification statement?

There are no exceptions to the certification statement.

B. This collection does not employ statistical methods.