

**Supporting Statement for
Representative Payment Policy Regulations
20 CFR 404.2011, 404.2025, 416.611 & 416.625
OMB No. 0960-0679**

A. Justification

1. Introduction/Authoring Laws and Regulations

Sections 205(j)(1)(D) and (3)(A); 702(a)(5); 1631(a)(2)(B)(viii) and (C)(1); and 807 of the *Social Security Act*, and Section 251(a), Subsection 807 of *Public Law 106-169*, provide that the Social Security Administration (SSA) issue Title II benefits, or Title XVI payments, directly to a representative payee (i.e., a relative; another person; or an organization interested in, or concerned about, the welfare of the recipient) when we determine it is not in a recipient's best interest to receive benefits or payments directly. This Information Collection is for the *Code of Federal Regulations* citations mandating these provisions.

2. Description of Collection

20 CFR 404.2011 and 416.611 of the *Code of Federal Regulations* enable SSA to delay or suspend payments for as long as one month while we try to find a suitable representative payee “if we find that direct payment will cause substantial harm” to the beneficiary. We find that substantial harm exists where paying the beneficiary directly would “be expected to cause [the beneficiary] serious physical or mental injury.” When we make a finding of substantial harm, we “allow [the beneficiary] to present evidence to rebut the presumption that direct payment would cause you substantial harm.” A beneficiary can “rebut this presumption by presenting evidence that direct payment would not cause [the beneficiary] substantial harm.” For example, evidence might include a physician’s statement or proof that the beneficiary has successfully completed a rehabilitation program for drug addiction or alcoholism.

20 CFR 404.2025 and 416.625 describe the information that a representative payee must report to us. Specifically, the regulations provide that “any time after we select a representative payee,” we may require the payee “to give us information showing a continuing relationship with you, a continuing responsibility for your care, and how they used the payments on your behalf.” We may request this information whenever there is an indication suggesting that the payee’s relationship to the beneficiary has changed. For example, changes in marital status, living arrangement, or custody may prompt us to seek information from the payee to ensure that the payee is still suitable and serves the best interests of the beneficiary.

The respondents are Title II and Title XVI recipients, and their representative payees.

- 3. Use of Information Technology to Collect the Information**
SSA does not collect this information through forms or any other standardized information collection; therefore, we cannot create an electronic version for these regulatory requirements under the Government Paperwork Elimination Act. SSA obtains the information during telephone conversations with the recipient when we re-contact the representative payee for allegations of misuse; or through face-to-face interviews during an expanded monitoring program site visit where SSA staff visits the respondent.
- 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**
There are very few instances where a Title II or Title XVI recipient disputes our finding of substantial harm. However, if we did not collect this information, we would be unable to afford the recipient their right to dispute our finding. Further, on occasion, we may need to re-contact a representative payee after selection to ensure the recipient is not at risk. 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 June 1, 2021 at 86 FR 29348, and we received no public comments. The 30-day FRN published on September 2, 2021 at 86 FR 49403. 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 payments 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 (each set contains one citation from our Title II and one from our Title XVI regulations):

Regulation Section	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Total Annual Burden (hours)	Average Theoretical Hourly Cost Amount (dollars)*	Total Annual Opportunity Cost (dollars)**
404.2011(a)(1); 416.611(a)(1)	260	1	15	65	\$22.39*	\$1,455**
404.2025; 416.625	3,090	1	6	309	\$22.39*	\$6,919**
Totals	3,350			374		\$8,374**

* We based this figure on averaging both the average DI payments based on SSA's current FY 2021 data (<https://www.ssa.gov/legislation/2021FactSheet.pdf>), and the average U.S. worker's hourly wages, as reported by Bureau of Labor Statistics data (https://www.bls.gov/oes/current/oes_nat.htm).

** 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.**

The total burden for this ICR is **374** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$8,374**. 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 15 and 6 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. 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 \$36,984. This estimate accounts for costs from the following areas:

Description of Cost Factor	Methodology for Estimating Cost	Cost in Dollars*
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Designing and Printing the Form	Design Cost + Printing Cost	\$0
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	\$36,984
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	\$0
Quantifiable IT Costs	Any additional IT costs	\$0
Total		\$36,984

* 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 Request

When we last cleared this IC in 2018, the burden was 363 hours. However, we are currently reporting a burden of 374 hours. This change stems from an increase in the number of responses from 3,250 to 3,350. There is no change to the burden time per response. Although the number of responses changed, SSA did not take any actions to cause this change. These figures represent current Management Information data.

16. Plans for Publication Information Collection Results

SSA will not publish the results of the information collection.

17. Displaying the OMB Approval Expiration Date

SSA is not requesting an exception to the requirement to display the OMB approval expiration date.

18. Exceptions 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. Collections of Information Employing Statistical Methods

SSA does not use statistical methods for this information collection.