

**Supporting Statement for Form SSA-632-BK
Request for Waiver of Overpayment Recovery
20 CFR 404.506-404.512, 416.550-416.558, and 416.570
And Form SSA-634
Request for Change in Overpayment Recovery Rate
20 CFR 404.502 and 416.571
OMB No. 0960-0037**

A. Justification

1. Introduction/Authoring Laws and Regulations

Sections 204, 1631, and 1879 of the *Social Security Act (Act)* require the Social Security Administration (SSA) to recover overpayments of Federal Retirement, Survivors, Disability Insurance, Health Insurance Benefits, or Supplemental Security Income (SSI) payments made to a beneficiary or recipient, unless the agency can waive recovery of the overpayment. SSA can waive recovery of an overpayment if:

- The individual is not at fault in causing the overpayment; and
- Recovery would deprive the individual of income necessary to meet their ordinary living expenses; or
- Recovery would be against equity and good conscience.

The policies for implementing the pertinent sections of the *Act* are set forth in 20 *CFR* 404.502-404.513, 404.515, 404.520-404.521; and 20 *CFR* 416.550-416.570, 416.572, 416.581, and 422.310 of the *Code of Federal Regulations*.

Section 834 of the *Bipartisan Budget Act of 2015 (BBA)*, Access to Financial Information (AFI) for Waivers and Adjustment Recovery,” requires SSA to obtain authorization from an individual to access certain financial records whenever the Commissioner determines SSA needs the records to determine whether adjustment or recovery of the overpayment defeats the purpose of the *Act*. *BBA* 834 amends sections 204(b) (42 U.S.C. 404(b)) and 1631(b)(1)(B) (42 U.S.C. 1383(b)(1)(B)) of the *Act*.

2. Description of Collection

An overpayment occurs when we pay a beneficiary or recipient more benefits than they are due for a given period. When the individual receives the overpaid benefits, they are responsible for repaying the debt. The information collected on the SSA-632-BK is mandatory for SSA to determine if we can waive an overpayment that is \$1,000 or more. To determine if an overpaid individual can repay the overpayment, SSA requires respondents to provide authorization for SSA to obtain their financial account information. A legal guardian must sign the financial authorization for an adult who is legally incompetent or if the overpaid individual is a child. In addition, respondents must provide household expenses, the income for the entire household, and the assets for all dependent household members. The respondent may complete this form alone or with help. The

information collected on the SSA-634 is mandatory for SSA to approve a negotiated monthly rate of withholding that would not permit recovery of the overpayment within 36 months. SSA employees will collect this information one-time. An overpaid individual completes and submits this form along with proofs of their income, assets, and expenses. The individual may complete this form alone or with help. Respondents are overpaid individuals who are requesting a waiver of recovery of an overpayment, or a lesser rate of withholding.

3. Use of Information Technology to Collect the Information

Forms SSA-632-BK and SSA-634 are available as fillable PDF's on SSA's website. Overpaid individuals can print the forms; complete and sign them; and mail them back to SSA, or they can return the completed forms to their local field office.

This collection does not currently have a fully public-facing Internet version, as we prioritized other information collections for full electronic conversions. Given that IT Mod programming is an ongoing, dynamic project, we cannot provide specific timelines for when we will be able to make any particular ICR available via Internet web-based application. We will ultimately convert most existing ICRs to full electronic versions depending on how they fall within our overall IT Mod schema, but this may be unconnected to the PRA approval lifecycle. In the interim, we evaluated this collection for conversion to a submittable PDF. Given the high volume of conversions we are coordinating and the more urgent nature of some of the other conversions, we ultimately decided not to prioritize this ICR for conversion to fully submittable PDF at this time. When we are able to schedule this form for conversion to a submittable PDF, we will submit a Change Request to OMB to request prior approval.

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

If we did not use Form SSA-632-BK, we would not have necessary information to make a waiver determination. If we did not use Form SSA-634, we would not have appropriate information to negotiate a proper overpayment repayment agreement when an individual informs us that they cannot repay the overpayment within 36 months. 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 20, 2021, at 86 FR 46897, and we received no public comments. The 30-day FRN published on October 26, 2021 at 86 FR 59262. 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

This 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-632 - Request for Waiver of Overpayment Recovery (If completing entire paper form, including the AFI authorization)	400,000	1	120	800,000	\$10.95*	21**	\$10,293,000***
SSA-634 - Request for	100,000	1	45	75,000	\$10.95*	21**	\$1,204,500***

Change in Overpayment Recovery Rate (Completing paper form)							
Totals	500,000			875,000			\$11,497,500***

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

** We based this figure on averaging both the average FY 2021 wait times for field offices and 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 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)***
500,000	1	30	250,000	\$2,737,500***

**** 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 IRC is **875,000** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$14,235,000**. 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 120 & 45 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 **\$8,195,840**. 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	\$50,000
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	Number of respondents x processing time in minutes ÷ by 60 x hourly rate for SSA employee processing form (GS-11)	\$8,139,000
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	\$6,840
Quantifiable IT Costs	Any additional IT costs	\$0*
Total		\$8,195,840

* 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 979,166 hours. However, we are currently reporting a burden of 875,000 hours. This change stems from a decrease in the number of responses from 1,060,000 to 500,000. 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

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

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.