

Supporting Statement for SSA-1699
Registration for Appointed Representative Services and Direct Payment
Section 206(a) and 1631(d) of the Social Security Act
OMB No. 0960-0732

A. Justification

1. Introduction/Authoring Laws and Regulations

If individuals want to become official representatives for Social Security claimants, the Social Security Administration (SSA) requires collection of certain information to register or appoint them as representatives. SSA uses Form SSA-1699, Registration for Appointed Representative Services and Direct Payment, for this purpose. Sections 206(a) and 1631(d) of the *Social Security Act* give SSA the authority to collect the information we request on Form SSA-1699. To comply with the Internal Revenue Code (IRS) Sections 6041(a) and 6045(f), and the Debt Collection Improvement Act of 1996, as Codified at 31 U.S.C. 325 and 7701, SSA requires appointed representatives to provide taxpayer identification information as a prerequisite for receiving direct payment. SSA is required to issue IRS Forms IRS-1099-NEC, or IRS-1099-MISC for each representative who received fees above \$600 in a calendar year.

2. Description of Collection

SSA uses Form SSA-1699 to register appointed representatives of claimants before SSA who:

- Want to register for direct payment of fees;
- Registered for direct payment of fees prior to 10/31/09, but need to update their information;
- Registered as appointed representatives on or after 10/31/09, but need to update their information; or
 - SSA may return incomplete or inaccurate forms

The respondents are appointed representatives who need to use Form SSA-1699 for any of the purposes cited above.

SSA's Office of Central operations receives and enters SSA's forms. By registering these individuals, SSA: (1) authenticates and authorizes them to do business with us; (2) allows them to access our records for the claimants they represent; (3) facilitates direct payment of authorized fees to appointed representatives; and (4) collects the information we need to meet Internal Revenue Service (IRS) requirements to issue specific IRS forms if we pay an appointed representative in excess of a specific amount (\$600). Registration provides the groundwork for direct payment but does not mean the representative will request direct payment, or even a fee in all cases.

Representatives who seek direct payment, and those representatives seeking access to the electronic folder prior to getting access use Form SSA-1696

(OMB Control # 0960-0527, Appointment of Representative) to inform SSA they will seek a fee or direct payments of the fee. The SSA-1696 (0960-0527) is a two-part form that collects minimal information about the representative, and information about the claimant. Because fees are sought on a case-per-case basis and both parties must consent, each appointment notice collects the representative's affiliation (may differ by case), the scope of representation (several cases may be pending for the claimant) and the parties' fee arrangement.

Representatives ask SSA for authorization of specific fees by using either: (1) SSA-1693 (OMB Control # 0960-0810, Fee Agreement for Representation Before the Social Security Administration; or (2) SSA-1560 (OMB Control # 0960-0104, Petition for Authorization to Charge and Collect a Fee for Services Before the Social Security Administration). Forms SSA-1693 (0960-0810), and Form SSA-1560 (0960-0104) are unique forms and relevant to the process.

SSA requires representatives to submit Form SSA-1693 (0960-0810) to SSA before we make a decision. SSA decides its validity at the time of the decision. In addition, SSA only allows the use of Form SSA-1693 (0960-0810) in favorable decisions with past-due benefits...

Form SSA-1560 (0960-0104) must be submitted to SSA after the representative's services have ended, which can be before the case is decided; if the case was decided unfavorably, or if there are no past-due benefits.

SSA uses Form SSA-1694 (OMB Control # 0960-0731, Request For Business Entity Information) to collect taxpayer information from the representative's entity-employer to enable affiliation and issuance of forms IRS 1099-MISC and -NEC to the parties as appropriate.

Each form has a different purpose and is designed to collect information for the specific purpose with particular regard to its timing in the process, disclosure, required signatures (e.g., one or two-party form/who signs) and length.

While certain information mentioned above is required by statute or regulation, the standard forms are not required, except the SSA-1699, because parties can use their own documents to submit the required information. The Appointed Representatives who are eligible for and want to receive direct payment of their authorized fees must first register with SSA using Form SSA-1699 .

Only Appointed Representatives who are attorneys or non-attorney representatives, and owns their own business as a: sole proprietor; single-member LLC; or as a single-member LLP. can submit the SSA-1699.

3. **Use of Information Technology to Collect the Information**

Respondents can use a fillable PDF format available on the Internet or complete the paper form. They may submit the form to the nearest field office via mail or fax. 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 and intend to make this conversion within the next 3-6 years. Once we have the submittable PDF ready for implementation, we will submit a Change Request to OMB for 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 these data.
5. **Minimizing Burden on Small Respondents**
This collection does not significantly affect small businesses or other small entities.
6. **Consequence of Not Collecting Information or Collecting it Less Frequently**
If we did not collect this information, SSA would have no means of authenticating representatives; allowing them direct access to beneficiary records; facilitating direct payment of authorized fees to representatives; or issuing the necessary IRS forms. Since we 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 August 20, 2021, at 86 FR 46897, and we received no public comments. The 30-day FRN published on November 18, 2021 at 86 FR 64585. If we receive any comments in response to this Notice, we will forward them to OMB. We did not consult with the public in the revision of this form.
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**

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)*	Total Annual Opportunity Cost (dollars)**
SSA-1699	10,382	1	20	3,461	\$ 73.86*	\$255,629**

* We based this figure on average Lawyers hourly wages, as reported by Bureau of Labor Statistics data (www.bls.gov/oes/current/oes231011.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.**

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 average time in minutes listed in the chart above 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. The total burden for this ICR is **3,461** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$255,629**. SSA does not charge respondents to complete our applications.

14. **Annual Cost To Federal Government**

The annual cost to the Federal Government is approximately **\$3,409,178**. 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	\$1,500
Distributing, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	\$0*
SSA Employee	GS-9 employee x # of	\$3,404,258

(e.g., field office, 800 number, DDS staff) Information Collection and Processing Time	responses x processing time	
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	3,420
Quantifiable IT Costs	Any additional IT costs	\$0*
Total		\$3,409,178

* 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. First, since we work with almost every US citizen, we often do bulk mailings, and cannot track the cost for a single mailing. In addition, 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**
When we last cleared this IC in 2019, the burden was 5,900 hours. However, we are currently reporting a burden of 3,460 hours. This change stems from a decrease in the number of average responses from 17,700 to 10,382. 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.
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.