

Justification  
**Railroad Separation Allowance or Severance Pay Report**  
 RRB Form BA-9 and BA-9 (Internet)

1. Circumstances of information collection - Section 6 of the Railroad Retirement Act (45 U.S.C. 231e), provides for a lump-sum payment to an employee or the employee's survivors equal to the Tier II taxes paid by the employee on a separation allowance or severance payment for which the employee did not receive credits toward retirement. The lump sum is not payable until retirement benefits begin to accrue or the employee dies. This provision is effective retroactively for separation and severance payments made beginning January 1, 1985.

Section 4(a-1)(iii) of the Railroad Unemployment Insurance Act (RUIA) provides that a railroad employee who is paid a separation allowance is disqualified for unemployment and sickness benefits for the period of time the employee would have to work to earn the amount of the allowance.

The requirements for railroad employers to prepare and file a report of employee separation allowances and severance payments to railroad employees and survivors of railroad employees are prescribed in 20 CFR 209.14 and in 45 U.S.C. 354(a-1)(iii), 45 U.S.C. 355(b) and 45 U.S.C. 359(a).

2. Purposes of collection/consequences of not collecting the information - **Form BA-9, Report of Separation Allowance or Severance Pay**, is the form used by the Railroad Retirement Board (RRB) to calculate the lump-sum payment provided to railroad employees or their survivors. In order to provide these payments, the RRB must collect and maintain records of separation allowances and severance payments which were subject to Tier II taxation. The RRB uses Form BA-9 to obtain, on a quarterly basis, the information needed from railroad employers concerning the separation allowances and severance payments made to railroad employees and/or their survivors by the RRB after December 31, 1988. Form BA-9 is also used by employers to report adjustments to reported severance pay. All reports contain a one-line entry for each such payment or adjustment.

Employers have the option of submitting their reports on Form BA-9, or, in like format via CD-ROM, secure Email, or File Transfer Protocol (FTP). The instructions for completing Form BA-9 and the burden statement relating to the estimated completion time for the information collection are shown on the reverse side of the form. Electronic formats CD-ROM, secure Email, and FTP are prescribed in Appendix 1 of the RRB's Reporting Instructions to Employers. Program Letter 2008-05 explains the secure Email and FTP processes, contains the file layout, and includes the required Paperwork Reduction Act notices. All reports of separation allowances and severance payments are accompanied by Form G-440, *Report Specifications Sheet*. The G-440 provides information as to the type of report and specifications, if necessary, for the computer. The form also provides for the signature and identifying information of a certifying officer.

**The RRB proposes no changes to the manual, CD-ROM, secure email, or FTP versions.**

In accordance with the Government Paperwork Elimination Act, which requires Federal agencies to provide its customers the option to submit information or transact with the

agency electronically, **the RRB proposes the addition of an Internet equivalent version of Form BA-9 to this information collection.** The proposed BA-9 (Internet), *Report of Separation Allowance or Severance Pay*, will be made available to employers who have obtained access to the RRB's Employer Reporting System (ERS) and request access to the form.

Access to ERS is granted only to employers and their designees who have completed RRB Form BA-12, *Application for Employer Reporting Internet Access* (3220-0008), which provides information used by the RRB to evaluate, grant, and document the level of access requested (view only, data entry, or approval/submission rights).

The proposed BA-9 (Internet) will consist of a series of screens that collect essentially the same information as the approved manual version of Form BA-9. The internet version will provide for the required notices and certifications, and will additionally provide help messages designed to guide the user through the system and complete a successful transaction.

When filing the BA-9 through ERS, the employer will not be required to provide a signed Form G-440 with every report. Instead, the employer signs the certification statement on Form BA-12 once, when they initially applied for ERS access.

3. Planned use of improved information technology or technical/legal impediments to further burden reduction - With the proposal of an Internet version of Form BA-9, the RRB has taken steps to offer an electronic alternative.
4. Efforts to identify duplication - To our knowledge, no other agency use similar forms and this information collection does not duplicate any other RRB information collection.
5. Small business respondents - N.A.
6. Consequences of less frequent collection - Since an up-to-date record is essential for timely and accurate benefits, obtaining the separation allowance and severance pay information less frequently would affect payment of benefits under the Acts the RRB administers.
7. Special circumstances - None
8. Public comments/consultations outside the agency - In accordance with 5 CFR 1320.8(d), comments were invited from the public regarding the information collection. The notice to the public was published on page 53120 of the September 24, 2021, Federal Register. No comments were received.
9. Payments or gifts to respondents - N.A.
10. Confidentiality - Privacy Act System of Records, RRB-5, Master File of Railroad Employee's Creditable Compensation and RRB-21, Railroad Unemployment and Sickness Insurance Benefit System. In accordance with OMB Circular M-03-22, a Privacy Impact Assessment for this information collection was completed and can be found at <https://www.rrb.gov/sites/default/files/2017-06/PIA-BPO.pdf>.
11. Sensitive questions - N.A.

12. Estimate of respondent burden - The current and proposed burdens for the collection are as follows:

<b>Current</b>			
Form Number	Annual Responses	Time (Minutes)	Burden (Hours)
BA-9 (Paper)	100	76	127
BA-9 (CD-ROM)	40	76	51
BA-9 (Secure Email)	60	76	76
BA-9 (FTP)	160	76	203
<b>Total</b>	<b>360</b>		<b>457</b>

<b>Proposed</b>			
Form Number	Annual Responses	Time (Minutes) <sup>1/</sup>	Burden (Hours)
BA-9 (Paper)	100	76	127
BA-9 (Internet)	215	15	54
BA-9 (CD-ROM)	10	76	13
BA-9 (Secure Email)	25	76	32
BA-9 (FTP)	10	76	13
<b>Total</b>	<b>360</b>		<b>239</b>

<sup>1/</sup>The RRB has been collecting the information on these forms since OMB approved the information collection. Based on a sampling done when the form was originally created, the office calculated the estimated time, which includes time for getting the needed data and reviewing the completed form.

	<b>Responses</b>	<b>Hours</b>
<b>Total burden change</b>	<b>-0-</b>	<b>-218</b>
<b>Program change</b>	<b>-0-</b>	<b>-218</b>

13. Estimate of annual cost to respondents or record keepers - N.A.
14. Estimated cost to Federal Government - N.A.
15. Explanation for change in burden – The estimated overall responses for this collection have remained the same. However, the estimated burden hours have decreased by 218, from 457 to 239. This decrease is due to the creation of a proposed Internet version of Form BA-9.
16. Time schedule for data collection and publication -The results of this collection will not be published.
17. Request not to display OMB expiration date - The RRB started an extensive multi-year IT Modernization Initiative at the beginning of Fiscal Year 2019 to transform our operations

into the 21<sup>st</sup> Century using multiple contractor services to improve mission performance, expand service capabilities, and strengthen cybersecurity. We provided OMB with a consolidated project timeline.

Given that the forms in this collection are seldom revised; the costs associated with redrafting, reprinting, and distributing forms in order to keep the appropriate OMB expiration date in place; and our desire to reevaluate after the completion of the modernization project, **the RRB requests the authority to not display the expiration date on the forms.**

18. Exceptions to Certification Statement - None