**Supporting Statement for**

**Internet Direct Deposit Application**

**31 CFR 210**

# OMB No. 0960-0634

**A. Justification**

1. **Introduction/Authoring Laws and Regulations**

Recipients of Social Security payments may choose to receive their payments through the Direct Deposit Program, under which the payments go directly to the recipient’s accounts at their financial institutions (FI). To route payments to the accounts at the FI, SSA needs two key pieces of information: (1) the depositor’s account number; and (2) the routing transit number of the receiving FI. The Department of the Treasury, Federal Reserve System, and the FI use this information to route payment to the recipient’s account. Under the authority of

*31 CFR 210, 5 USC 301,* and *12 USC 391*, the Social Security Administration (SSA) collects this information through the Internet Direct Deposit Application.

1. **Description of Collection**

SSA requires all applicants andrecipients of Social Security Old Age,Survivors, and Disability Insurance(OASDI) benefits, or SSI payments to receivethese benefits and payments via directdeposit, at a financial institution. SSAreceives Direct Deposit/ElectronicFunds Transfer (DD/EFT) enrollmentinformation from OASDI beneficiariesand SSI recipients to facilitate DD/EFTof their funds, with their chosenfinancial institution. We also use thisinformation when an enrolledindividual wishes to change their DD/EFT information. For the convenience ofthe respondents, we collect thisinformation through several modalities,including an Internet application, in-officeor telephone interviews, and ourautomated telephone system. Inaddition to using the direct depositinformation to enable DD/EFT of fundsto the recipient’s chosen financialinstitution, we also use the informationthrough our Direct Deposit FraudIndicator, to ensure the correct recipientreceives the funds. Respondents areOASDI beneficiaries and SSI recipientsrequesting that we enroll them in theDirect Deposit program or change theirdirect deposit banking information.

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

In accordance with the agency’s Government Paperwork Elimination Act (GPEA) plan, SSA created an Internet, Intranet, and automated version for the Internet Direct Deposit Application. Based on our data, we estimate approximately 100% of respondents under this OMB number use an electronic version.

1. **Why We Cannot Use Duplicate Information**

The nature of the information SSA collects and the manner in which SSA collects it preclude duplication. SSA does not use another collection instrument to obtain similar data.

1. **Minimizing Burden on Small Respondents**

This collection does not significantly affect small businesses or other small entities.

1. **Consequence of Not Collecting Information or Collecting it Less Frequently**

If the Direct Deposit Application was unavailable, SSA would not be able to enroll recipients wishing to participate in the Direct Deposit Program. This would be an inconvenience to the recipient and cost the Agency time and money since SSA would have to print and mail out checks to recipients. Because SSA collects this information on an as needed basis, SSA cannot collect it less frequently. There are no technical or legal obstacles to burden reduction.

1. **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*.

1. **Solicitation of Public Comment and Other Consultations with the Public**

The 60-day advance Federal Register Notice published on March 10, 2022, at

87 FR 13783, and we received no public comments. The 30-day FRN published on May 24, 2022, at 87 FR 31598. 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 maintenance of this form.

1. **Payment or Gifts to Respondents**

SSA does not provide payment or gifts to respondents.

1. **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.

1. **Justification for Sensitive Questions**

The information collection does not contain any questions of a sensitive nature.

1. **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)\*** | **Average Wait Time in Field Office or for Teleservice Centers**  **(minutes) \*\*** | **Total Annual Opportunity Cost (dollars)\*\*\*** |
| Internet Direct Deposit Application | 683,397 | 1 | 10 | 113,900 | $19.86\* |  | $2,262,054\*\*\* |
| Non-Electronic Services  (FO, 800#-ePath, SSI Claims System, SPS, MACADE, POS, RPS) | 2,557,048 | 1 | 12 | 511,410 | $19.86\* | 21\*\* | $27,930,647\*\*\* |
| Direct Deposit Fraud Indicator | 30,531 | 1 | 2 | 1,018 | $19.86\* |  | $20,217\*\*\* |
| **Totals** | **3,270,976** |  |  | **626,328** |  |  | **$30,212,918\*\*\*** |

\* We based this figure by averaging both the average DI payments based on SSA's current FY 2022 data (<https://www.ssa.gov/legislation/2022factsheet.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>).

\*\* We based this figure on the average FY 2022 wait time for teleservice centers, based on SSA’s current management information data.

\*\*\* This figure does not represent actual costs that SSA is imposing on claimants 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 (OIRA) 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)\*\*\*\*** |
| 2,557,048 | 1 | 30 | 1,288,524 | $25,590,087\*\*\*\* |

\*\*\*\*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 time and opportunity cost estimates in the paragraph below.

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 **2**, **10** and **12** 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. The total burden for this ICR is **626,328** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **$55,803,005**. SSA does not charge respondents to complete our applications

1. **Annual Cost to the Respondents (Other)**

This collection does not impose a known cost burden on the respondents.

1. **Annual Cost to Federal Government**

The annual cost to the Federal Government is approximately $131,076. 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 | 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 | $127,656 |
| 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** |  | **$131,076** |

\* 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.

1. **Program Changes or Adjustments to the Information Collection Request**

When we last cleared this IC in 2019, the burden was 718,673 hours. However, we are currently reporting a burden of 626,318. This change stems from a decrease in the number of responses from 3,693,146 to 3,270,976. 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.

**\*Note:** The total burden reflected in ROCIS is **2,684,900**, while the burden cited in #12 of the Supporting Statement is **626,328**. This discrepancy is because the ROCIS burden reflects the following components: field office waiting time + telephone call system wait times + a rough estimate of a 30-minute, one-way, drive burden. In contrast, the chart in #12 above reflects actual burden.

1. **Plans for Publication Information Collection Results**

SSA will not publish the results of the information collection.

1. **Displaying the OMB Approval Expiration Date**

SSA is not requesting an exemption to displaying the OMB expiration date on the Internet or Intranet screens.

1. **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.