

## SUPPORTING STATEMENT - PART A

(Data for Payment of Retired Personnel to include Eligible Family Members – OMB Control Number 0704-0569)

### 1. Need for the Information Collection

DD Forms 2656 “Data for Payment of Retired Pay,” 2656-1 “Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage,” 2656-2 “Survivor Benefit Plan (SBP) Termination Request,” 2656-5 “Reserve Component Survivor Benefit Plan (RCSBP) Election Certificate,” 2656-6 “Survivor Benefit Plan Election Change Certificate,” 2656-7 “Verification for Survivor Annuity,” 2656-8 “Survivor Benefit Plan (SBP) Automatic Coverage Fact Sheet,” 2656-10 “Survivor Benefit Plan (SBP) Former Spouse Request for Deemed Election,” are used by the Department of Defense to collect information regarding a uniformed service member’s military retired pay and his or her election to participate in and designate beneficiaries under the Survivor Benefit Plan (SBP or RCSBP), as well as elections of the eligible family member(s) or Insurable Interest Beneficiary to receive coverage under Survivor Benefit Plan (SBP or RCSBP).

The changes to DD Form 2656-1, DD Form 2656-2, DD Form 2656-5, DD Form 2656-6, DD Form 2656-7, DD Form 2656-8, and DD Form 2656-10 are essential for the full and effective implementation of the Blended Retirement System (BRS). Section 1415 of Title 10, United States Code (U.S.C.), went into effect on January 1, 2018, allowing an eligible person (meaning a currently-serving member of the Uniformed Services) who is covered by the Blended Retirement System (BRS) to elect to receive a lump sum of retired pay upon his or her retirement. In addition, statutory changes contained in Section 622 of Public Law 115-91, the National Defense Authorization Act (NDAA) for Fiscal Year 2018 (FY18), modified the method of determining coverage under SBP for those members who elect a lump sum of retired pay, effective as of January 1, 2018. The Department of Defense does not currently have a form or legally-sufficient process for enabling an eligible person to elect this lump sum or, after making the election, to elect to cover his or her dependents as beneficiaries under SBP. Accordingly, the imminent implementation of this law and the exigent circumstances surrounding the late statutory changes to SBP necessitate rapid approval of changes to DD Forms listed above.

In addition, changes to the DD Forms listed above are necessary for the accurate and proper completion by the dependents of the Service member to ensure that all parties are able to request, make updates or changes to the coverage as applicable. Current format lacks components necessary for proper completion.

Changes to the previous form include addition of new respondent’s contact information (such as phone number and email), as well as expanding forms and instructions to enable RC Service Members to fill out the same form as AC Service Members while following instructions applicable to the specific group.

The authorities for this collection are Title 10, U.S.C., Chapters 71 and 73, DoD Instruction 1332.42, Survivor Annuity Program, and DoD Financial Management Regulation, Volume 7B, Chapter 42.

## 2. Use of the Information

Every uniformed service member of the Department of Defense and U.S. Coast Guard who retires or reaches the age of eligibility to begin receiving retired pay, in the case of members of the Reserves and National Guard, should voluntarily complete these forms to request retired pay, designate and change beneficiaries, and make a SBP election, or decline coverage. Eligible beneficiaries have an ability to voluntarily complete these forms to request or waive coverage. The information requested allows the Defense Finance and Accounting Service (DFAS) to establish a retired pay account for that individual as well as eligible covered beneficiaries, provides a record of that retiree's designation of beneficiaries, allows the retiree (if eligible) to make an election of a lump sum of retired pay, and allows the Service member to make an election to participate in the SBP.

Completion of these forms are voluntary. Service members, spouses, and dependents who do not complete these forms remain eligible to receive retired pay and they and their designated eligible beneficiaries will be covered under the Survivor Benefit Plan at the default maximum coverage level.

Information collected enables service members to update coverage from current to former spouse and child(ren), elect coverage for the former spouse, terminate SBP request, elect Reserve Component Survivor Benefit Plan (RCSBP) if applicable, change Survivor Benefit Plan election upon certain events occurring, allows surviving spouse, dependent child(ren) surviving former spouse(s), and/or natural persons with an insurable interest to verify their eligibility for the annuity, and allows former spouse to deem an election for Former Spouse SBP coverage or Former Spouse Reserve Component (RC) SBP.

In the most recent calendar year, approximately 202,150 members of the Uniformed Service (as well as spouses) completed these forms, as separate forms are required for completion by eligible beneficiaries only.

Service members and eligible beneficiaries routinely complete the forms prior to retiring from the military, as well as after retirement in certain cases. While not required, the forms are usually completed during or subsequent to the member receiving retirement counseling.

This form is collected by the service member's service branch and submitted to DFAS (or in the case of the Coast Guard, Public Health Service, and National Oceanic Atmospheric Administration (NOAA), to their applicable pay center) for establishment of a service member's retired pay account.

Once submitted, DFAS, or the applicable pay center, enters the necessary information in the retired pay system, the member will begin receiving retired pay, his election for SBP will be

recorded, and his or her beneficiary information will be stored, which will enable beneficiary to begin receiving the coverage selected upon member's death.

3. Use of Information Technology

This form can be submitted in hard copy, or completed, signed and submitted electronically. Electronic signature is enabled on all the forms. DFAS is in the process of upgrading its retired and annuitant pay system and will continue seeking avenues to accept and process electronic election forms.

4. Non-duplication

This form requests information that is statutorily required to be recorded at or prior to the date of retirement of the Service member or during a designated time frame by an eligible beneficiary (excluding cases when the information is recorded after due to changes such as getting married, divorced, acquiring a child or other which requires a change in coverage option) and which is not resident in any other system.

5. Burden on Small Businesses

This information collection does not impose a significant economic impact on a substantial number of small businesses or entities, as is designated primarily for individual use.

6. Less Frequent Collection

This form is not used for reporting purposes; it is generally completed one time by Uniformed Services members upon the occasion of their retirement, or in case of life events that require changes to the coverage and additional forms to be filled out. The spouse or other eligible beneficiary may be required to fill out the form (which also would generally happen one time).

7. Paperwork Reduction Act Guidelines

This collection of information does not require collection to be conducted in a manner inconsistent with the guidelines delineated in 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments

Part A: PUBLIC NOTICE

A 60-Day Federal Register Notice (FRN) for the collection published on Friday, May 5, 2023. The 60-Day FRN citation is 88 FR 29104.

No comments were received during the 60-Day Comment Period.

A 30-Day Federal Register Notice for the collection published on Wednesday, July 26, 2023. The 30-Day FRN citation is 88 FR 48214.

Part B: CONSULTATION

No additional consultation apart from soliciting public comments through the Federal Register Noticed was conducted for this submission.

9. Gifts or Payment

No payments or gifts are being offered to respondents as an incentive to participate in the collection.

10. Confidentiality

A Privacy Act Statement is required and will be included in the instructions to these forms.

(P): The System of Record Notice (SORN) T7347b is published at:

<https://www.federalregister.gov/documents/2009/01/07/E9-41/privacy-act-of-1974-systems-of-records>

A Privacy Impact Assessment (PIA) is not required for this collection because PII is not being collected electronically.

11. Sensitive Questions

Social Security Numbers of Service members and their dependents are included on these forms. This is required for the following reasons:

- DFAS systems historically track Service members via use of their Geneva Conventions Serial Number
- For interactions with Financial Institutions
- As the Federal Taxpayer Identification Number
- For legacy system interface for Service members who may have served before the establishment of the DoD Identification Number or any other methodology of identifying individuals.

12. Respondent Burden and its Labor Costs

Part A: ESTIMATION OF RESPONDENT BURDEN

1) Collection Instrument(s)

[DD 2656, "Data for Payment of Retired Personnel"]

- a) Number of Respondents: 66,800
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 66,800
- d) Response Time: 15 minutes
- e) Respondent Burden Hours: 16,700 hours

[DD Form 2656-1, "Survivor Benefit Plan Election Statement for Former Spouse Coverage"]

- a) Number of Respondents: 9,500
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 9,500
- d) Response Time: 15 minutes

e) Respondent Burden Hours: 2,375 hours

[DD Form 2656-2, "Survivor Benefit Plan Termination Request"]

- a) Number of Respondents: 7,500
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 7,500
- d) Response Time: 15 minutes
- e) Respondent Burden Hours: 1,875 hours

[DD Form 2656-5, "Reserve Component Survivor Benefit Plan Election Certificate"]

- a) Number of Respondents: 5,900
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 5,900
- d) Response Time: 15 minutes
- e) Respondent Burden Hours: 1,475 hours

[DD Form 2656-6, "Survivor Benefit Plan Election Change Certificate"]

- a) Number of Respondents: 16,900
- b) Number of Responses Per Respondent: 16,900
- c) Number of Total Annual Responses: 4,225
- d) Response Time: 15 minutes
- e) Respondent Burden Hours: 4,225 hours

[DD Form 2656-7, "Verification for Survivor Annuity"]

- a) Number of Respondents: 9,600
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 9,600
- d) Response Time: 15 minutes
- e) Respondent Burden Hours: 2,400 hours

[DD Form 2656-8, "Survivor Benefit Plan – Automatic Coverage Fact Sheet"]

- a) Number of Respondents: 5,500
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 5,500
- d) Response Time: 15 minutes
- e) Respondent Burden Hours: 1,375 hours

[DD Form 2656-10, "Survivor Benefit Plan/Reserve Component Survivor Benefit Plan Request for Deemed Election"]

- a) Number of Respondents: 6,250
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 6,250
- d) Response Time: 15 minutes
- e) Respondent Burden Hours: 1,562 hours

1) Total Submission Burden (Summation or average based on collection)

- a) Total Number of Respondents: 127,950
- b) Total Number of Annual Responses: 127,950
- c) Total Respondent Burden Hours: 45,978 hours

Part B: LABOR COST OF RESPONDENT BURDEN

1) Collection Instrument(s)

[DD Form 2656, "Data for Payment of Retired Personnel"]

- a) Number of Total Annual Responses: 66,800
- b) Response Time: 15 minutes
- c) Respondent Hourly Wage: \$26.34
- d) Labor Burden per Response: \$6.59
- e) Total Labor Burden: \$440,212

[DD Form 2656-1, "Survivor Benefit Plan Election Statement for Former Spouse Coverage"]

- a) Number of Total Annual Responses: 9,500
- b) Response Time: 15 minutes
- c) Respondent Hourly Wage: \$26.34
- d) Labor Burden per Response: \$6.59
- e) Total Labor Burden: \$62,605

[DD Form 2656-2, "Survivor Benefit Plan Termination Request"]

- a) Number of Total Annual Responses: 7,500
- b) Response Time: 15 minutes
- c) Respondent Hourly Wage: \$26.34
- d) Labor Burden per Response: \$6.59
- e) Total Labor Burden: \$49,425

[DD Form 2656-5, "Reserve Component Survivor Benefit Program Election Certificate"]

- a) Number of Total Annual Responses: 5,900
- b) Response Time: 15 minutes
- c) Respondent Hourly Wage: \$26.34
- d) Labor Burden per Response: \$6.59
- e) Total Labor Burden: \$38,881

[DD Form 2656-6, "Survivor Benefit Plan Election Change Certificate"]

- a) Number of Total Annual Responses: 16,900
- b) Response Time: 15 minutes
- c) Respondent Hourly Wage: \$26.34
- d) Labor Burden per Response: \$6.59
- e) Total Labor Burden: \$111,371

[DD Form 2656-7, "Verification for Survivor Annuity"]

- a) Number of Total Annual Responses: 9,600

- b) Response Time: 15 minutes
- c) Respondent Hourly Wage: \$26.34
- d) Labor Burden per Response: \$6.59
- e) Total Labor Burden: \$63,264

[DD Form 2656-8, "Survivor Benefit Plan – Automatic Coverage Fact Sheet"]

- a) Number of Total Annual Responses: 5,500
- b) Response Time: 15 minutes
- c) Respondent Hourly Wage: \$26.34
- d) Labor Burden per Response: \$6.59
- e) Total Labor Burden: \$36,245

[DD Form 2656-10, "Survivor Benefit Plan/Reserve Component Survivor Benefit Plan Request for Deemed Election"]

- a) Number of Total Annual Responses: 6,250
- b) Response Time: 15 minutes
- c) Respondent Hourly Wage: \$26.34
- d) Labor Burden per Response: \$6.59
- e) Total Labor Burden: \$41,187.50

2) Overall Labor Burden

- a) Total Number of Annual Responses: 127,950
- b) Total Labor Burden: \$843,190.50

The Respondent hourly wage was determined by dividing the average military retiree's annual basic pay (\$54,799) (the average retiree is an E-7 with 20 years of experience) by 52 weeks and then by 40 hours.

[https://www.bls.gov/oes/current/oes\\_nat.htm](https://www.bls.gov/oes/current/oes_nat.htm) - Hourly Wage Statistics for Public

13. Respondent Costs Other Than Burden Hour Costs

There are no annualized costs to respondents other than the labor burden costs addressed in Section 12 of this document to complete this collection.

14. Cost to the Federal Government

Part A: LABOR COST TO THE FEDERAL GOVERNMENT

1) Collection Instrument(s)

[DD Form 2656, "Data for Payment of Retired Personnel"]

- a) Number of Total Annual Responses: 66,800
- b) Processing Time per Response: 15 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$21.31
- d) Cost to Process Each Response: \$5.33
- e) Total Cost to Process Responses: \$356,044

[DD Form 2656-1, "Survivor Benefit Plan Election Statement for Former Spouse Coverage"]

- a) Number of Total Annual Responses: 9,500
- b) Processing Time per Response: 15 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$21.31
- d) Cost to Process Each Response: \$5.33
- e) Total Cost to Process Responses: \$50,635

[DD Form 2656-2, "Survivor Benefit Plan Termination Request"]

- a) Number of Total Annual Responses: 7,500
- b) Processing Time per Response: 15 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$21.31
- d) Cost to Process Each Response: \$5.33
- e) Total Cost to Process Responses: \$39,975

[DD Form 2656-5, "Reserve Component Survivor Benefit Plan Election Certificate"]

- a) Number of Total Annual Responses: 5,900
- b) Processing Time per Response: 15 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$21.31
- d) Cost to Process Each Response: \$5.33
- e) Total Cost to Process Responses: \$31,447

[DD Form 2656-6, "Survivor Benefit Plan Election Change Certificate"]

- a) Number of Total Annual Responses: 16,900
- b) Processing Time per Response: 15 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$21.31
- d) Cost to Process Each Response: \$5.33
- e) Total Cost to Process Responses: \$90,077

[DD Form 2656-7, "Verification for Survivor Annuity"]

- a) Number of Total Annual Responses: 9,600
- b) Processing Time per Response: 15 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$21.31
- d) Cost to Process Each Response: \$5.33
- e) Total Cost to Process Responses: \$51,168
- f)

[DD Form 2656-8, "Survivor Benefit Plan Automatic Coverage Fact Sheet"]

- a) Number of Total Annual Responses: 5,500
- b) Processing Time per Response: 15 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$21.31
- d) Cost to Process Each Response: \$5.33
- e) Total Cost to Process Responses: \$29,315

[DD Form 2656-10, "Survivor Benefit Plan/Reserve Component Survivor Benefit Plan Request for Deemed Election"]

- a) Number of Total Annual Responses: 6,250



- b) Processing Time per Response: 15 minutes
  - c) Hourly Wage of Worker(s) Processing Responses : \$21.31
  - d) Cost to Process Each Response: \$5.33
  - e) Total Cost to Process Responses: \$33,312.50
- 2) Overall Labor Burden to the Federal Government
    - a) Total Number of Annual Responses: 127,950
    - b) Total Labor Burden: \$681,973.50

<https://www.federalpay.org/gs/2019/GS-9> - Hourly Wage for Govt. Workers processing forms

#### Part B: OPERATIONAL AND MAINTENANCE COSTS

- 1) Cost Categories
  - a) Equipment: \$0
  - b) Printing: \$0
  - c) Postage: \$0
  - d) Software Purchases: \$0
  - e) Licensing Costs: \$0
  - f) Other: \$0
- 2) Total Operational and Maintenance Cost: \$0

#### Part C: TOTAL COST TO THE FEDERAL GOVERNMENT

- 1) Total Labor Cost to the Federal Government: \$681,973.50
- 2) Total Operational and Maintenance Costs: \$0
- 3) Total Cost to the Federal Government: \$681,973.50

#### 15. Reasons for Change in Burden

There has been no change in burden since the last approval.

#### 16. Publication of Results

The results of this information collection will not be published.

#### 17. Non-Display of OMB Expiration Date

We are not seeking approval to omit the display of the expiration date of the OMB approval on the collection instrument.

#### 18. Exceptions to "Certification for Paperwork Reduction Submissions"

We are not requesting any exemptions to the provisions stated in 5 CFR 1320.9.