

**U. S. OFFICE OF GOVERNMENT ETHICS
SUPPORTING STATEMENT FOR OGE FORM 278E
EXECUTIVE BRANCH PERSONNEL PUBLIC FINANCIAL DISCLOSURE REPORT
AUGUST 2021**

A. Justification

1.-2. Explain the circumstances that make the collection of information necessary. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The primary use of the information on the OGE Form 278e is for review by Government officials to determine compliance with applicable Federal conflict of interest laws and regulations by individuals who are required to file public financial disclosure forms to report their financial interests. The authority for collection of the information on the OGE Form 278e is Title I of the Ethics in Government Act of 1978, as amended, 5 U.S.C. app. § 101 et seq., as amended by the Representative Louise McIntosh Slaughter Stop Trading on Congressional Knowledge Act (Pub. L. 112-105) (STOCK Act), and OGE's implementing financial disclosure regulations at 5 CFR part 2634, subpart B, which require publicly available financial disclosure reports to be filed by certain officers and high-level employees in the executive branch. As the supervising ethics office for the executive branch, OGE is the sponsoring agency for the OGE Form 278e Executive Branch Personnel Public Financial Disclosure Report. The 278e form constitutes the format prescribed by OGE for public financial disclosure in the executive branch.

In 2014, OGE sought and received approval to incorporate the OGE Form 278e into its new *Integrity* e-filing application. The version of the Form 278e that is produced by the *Integrity* e-filing system is a streamlined output report format that presents only the filer's inputs in given categories and does not report other categories not selected by the filer. OGE also continues to maintain an Excel version of the form and a 508 compliant PDF version on its website.

OGE is submitting the OGE Form 278e public financial disclosure form package for an extension of a currently approved collection by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (control number 3209-0001).

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

As noted above, in 2014, OGE sought and received approval to incorporate the OGE Form 278e into its new *Integrity* e-filing application. *Integrity* uses sophisticated filing "wizards" that ask questions about a filer's specific financial interests in order to improve the ease and accuracy of filing. Other key features include auto-complete for

over 13,000 asset names, comment and endnote features, variable workflows that can be tailored to the needs of each agency, key notices and reminders, and convenient web-based access. It greatly reduces the reporting burden for repeat filers by preloading the filer's previous report. The application automatically renders information submitted by the filer in the format of an OGE Form 278e. *Integrity* is available to authorized public filers at <http://www.integrity.gov> and has been in use since January 1, 2015.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.

Not applicable. The OGE Form 278e is the only executive branchwide form used for employee public financial disclosure reports.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

Not applicable. This collection of information does not involve small businesses or other small entities.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing the burden.

Not applicable. The collection, including its frequency, is required by Title I of the Ethics in Government Act, as amended, and OGE's implementing regulations.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **Requiring respondents to report information to the agency more often than quarterly;**
- **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **Requiring respondents to submit more than an original and two copies of any document;**
- **Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years;**
- **In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or that unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**

- **Requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

No such special circumstances exist.

8. If applicable, provide a copy and identify the date and page number of publication in the *Federal Register* of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB.

OGE published a first round *Federal Register* notice soliciting comments on this information collection on June 2, 2021. See [86 FR 29583](#). OGE received four responses to that notice, two of which contained several suggestions.

Many of the suggestions addressed the reporting requirements, for example eliminating the requirement to report diversified mutual funds, requiring a new entrant report for the President and Vice President, requiring the reporting of divestitures accomplished by gifting assets, eliminating the requirement to report certain transactions, and changing the asset value and income reporting bands, and requiring filers to explain their valuation methodology. The financial disclosure requirements are dictated by the Ethics in Government Act (EIGA), 5 U.S.C. app. sec. 102, as amended and OGE's regulations at 5 CFR part 2634. Therefore, these suggested changes could not be made without revisions to the EIGA and/or OGE's regulations. OGE is not prepared to consider its support for such revisions as part of the PRA process.

Several of the suggestions proposed user experience changes to the *Integrity* system and not changes to the information collection itself. These included suggestions regarding access rights within in the system and workflow routing. There is a pre-existing process to collect, analyze, and prioritize proposed changes to the *Integrity* system through the *Integrity* Advisory Council (IAC). Agency employees should forward suggestions concerning *Integrity* to their agency's *Integrity* administrator or an agency ethics official who can present the suggestions for IAC consideration.

Three suggestions involved the clarity of the form's instructions. The first related to clarifying in which section filers should report IRAs. The second involved clarifying how the limitation on the exception for disclosing a mortgage on a personal residence applies to certain filers. These suggestions were considered, but it was determined that making the changes would actually decrease the overall clarity of the instructions. OGE notes that the financial disclosure rules are unavoidably complex. Consequently, OGE publishes a detailed Public Financial Disclosure Guide, available on its website, which provides more detailed explanations than can be summarized in a form's instructions. It includes instructions on both of these concepts. The third suggestion regarding instructions proposed providing an explanation of when an asset is an "excepted investment fund" or EIF, along with examples. The commenter provided no specific

alternative instruction or proposed example. OGE acknowledges that this is a complex concept and that examples may be beneficial. However, it is not clear what a better alternative would be, and OGE must be careful that any changes to the information collection do not have an unintended negative impact. Therefore, in light of the ongoing Presidential transition, the lead time required to make changes to the *Integrity* system, and the proximity of the public financial disclosure season, OGE is unable to make this change as part of the current Paperwork Reduction Act renewal process. However, OGE is formulating a plan to consider these proposed changes, as well as others received outside of the PRA process, for an update within the next three years. In the meantime, the Public Financial Disclosure Guide addresses this concept in detail.

Finally, several additional suggestions made by Citizens for Responsibility & Ethics in Washington (CREW) focused on requiring additional personal information from filers, which would increase the burden of the information collection and/or may implicate privacy concerns. One CREW proposal suggested requiring more information about filers' assets. That idea was previously considered and OGE determined that the resulting burden to the filer would be too high. Some of CREW's suggestions require further analysis before OGE can determine whether they would be beneficial. These included requiring filers to report the type of appointment they hold, indicating whether the filer has signed the ethics pledge required by Executive Order 13989, requiring filers to report their middle name, and creating a standardized ID for each filer. To the extent that the proposed changes may assist the government in identifying potential conflicts of interest and are authorized by OGE regulations and the EIGA, they will be considered for a future iteration of the form, along with the instructional proposal described above.

OGE published a second round *Federal Register* notice soliciting comments to be directed to OMB on August 13, 2021. *See* 86 FR 44718.

OGE continually seeks comments from persons outside the agency concerning the impact of its information collection instruments upon filers and agency ethics programs. OGE provides opportunities for comment at ethics symposia and other events. OGE routinely alerts professionals in the ethics community to recently published OGE *Federal Register* notices via its listserv, various social media applications, and Advisory Memoranda. Visitors to the OGE Website are provided the opportunity to contact OGE with comments or suggestions. In addition, OGE has remained open to any suggestions for improvement received in the course of public comment on the first and second round paperwork notices published in the *Federal Register*. Any ongoing comments received by OGE as a result of these various means of availability will be considered by OGE for the next Paperwork Reduction Act renewal cycle in three years.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

Not applicable. Respondents receive no payments or gifts.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

There is no assurance of confidentiality to the filers of this financial disclosure report form. The proposed OGE Form 278e is a public financial disclosure form, available to the public for a six-year period upon the submission of a proper Ethics in Government Act access request form (OGE Form 201) in compliance with the provisions of section 105 of the Act and OGE's implementing regulations at 5 CFR § 2634.603.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

All of the information required on this report form and in the underlying regulation is specified by current law for financial disclosure reporting by filing individuals and conflict of interest review by executive branch departments and agencies.

12. Provide estimates of the hour burden of the collection of information.

OGE estimates that an average of approximately 3,196 OGE Form 278e reports will be filed each year by private citizen filers. This number was calculated based on OGE records regarding nominees for Presidential appointments requiring Senate confirmation and annual agency ethics program questionnaire responses. (Private citizen filers are potential incoming employees or appointees whose positions are designated for public financial disclosure reporting, those who file termination reports from such positions after their Government service ends, and non-incumbent Presidential and Vice-Presidential candidates.)

OGE estimates that ten hours is the average time required to complete the form. The time to complete an OGE Form 278e varies greatly depending on the personal finances of the filer. The ten hour figure is an average based on the estimated burden on all types of filers, including those with complicated financial holdings and those with simpler financial holdings. While OGE recognizes that the burden for a filer with extensive or complicated financial holdings may be significantly more than ten hours, the estimated burden for the majority of filers is fewer than five hours.

Based on the above, the annual reporting burden for private citizen filers is estimated to be 31,960 burden hours. The estimated annualized hour burden cost to private citizen filers is \$3,196,000. This estimate is based on the average annual number of private citizen filers multiplied by an estimated average filer wage rate of \$100 per hour.

13. Provide an estimate for the total annual cost burden to respondents or record-keepers resulting from the collection of information.

For the OGE Form 278e, OGE estimates annual burden hours and annual burden hours cost, not annual cost burden to the respondents.

14. Provide an estimate of annualized costs to the Federal Government.

OGE previously reported that the estimated total annual cost of the OGE Form 278e to the Federal Government was \$5,815,000. This estimate was based on the cost to administer the program to private citizen filers only, not the entire public financial disclosure program (private citizen filers constitute approximately 17% of all public financial disclosure filers). Based on adjustments for inflation since the previous estimate, the new estimated total annual cost is approximately \$6,163,900.

15. Explain the reasons for any program changes or adjustments reported in items 12 through 14.

The estimated hour burden has changed because the estimated number of filers has changed since our previous submission. OGE bases the number of estimated filers on recent data on actual filers. For 14, the estimate of annualized costs to the Federal Government has been adjusted for inflation since the previous estimate.

16. For collections of information whose results will be published, outline plans for tabulation and publication.

Not applicable. The procedures for disclosing this information are mandated by the Ethics in Government Act, as amended.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

OGE requests a partial exemption from the requirement to display the expiration date with respect to the *Integrity* version of the OGE Form 278e. Because OGE must pay its contractors for every modification of the application, this partial exemption will lower OGE's costs to maintain the system.

18. Explain each exception to the topics of the certification statement identified in Certification for Paperwork Reduction Act Submissions.

Certification items (c), (f) and (i) are not applicable to this information collection.

B. Collections of Information Employing Statistical Methods

Not applicable. This collection of information does not employ statistical methods.