Supporting Statement for Forms SSA-1002 and SSA- 1003
Statement of Agriculture Employer (Year Prior to 1988 and 1988 and Later)
20 CFR 404.702,404.709, 404.802, and 404.1056
OMB No. 0960-0036

A. Justification

1. Introduction/Authoring Laws and Regulations

Section *205(a)* of the *Social Security Act (Act)* gives the Commissioner of the Social Security Administration (SSA) full power and authority to make rules, regulations, and procedures necessary to carry out the provisions of the *Act*. Section *205(c)(2)(A)* of the *Act* charges the Commissioner with establishing and maintaining records of the amount of wages paid to individuals. Section *209(a)(7)(B*) of the *Act* states that an employer uses Form SSA-1002 when an agricultural employee who was covered prior to January 1, 1988 was paid $150, or if the employee worked for the same employer 20 or more days in a year and was paid cash wages (if figured on a time basis). Agricultural employers use Form SSA-1003 to show earnings paid after January 1, 1988. The amount of earnings credited to an individual, and the periods to which such earnings are credited, may be proven by SSA records and by other evidence or probative value, as explained in *20 CFR*, Section *404.702, 404.709, 404.802* and *404.1056* of the *Code of Federal Regulations*.

2. Description of Collection

If an agricultural worker believes their employers either (1) did not report their wages, or (2) reported incorrect wage amounts, they may contact SSA for assistance in resolving this issue. This normally occurs by the worker either completing Online Request for Correction of Earnings Record (OMB No. 0960-0819) or the Request for Correction of Earnings Record (Form SSA-7008, OMB No. 0960-0029). While in most sectors of employment, SSA will request a statement using Form SSA-7011-F4 (OMB No. 0960-0030), the *Act* imposes specific earnings and days-worked tests for agricultural workers and their employers that necessitates a unique information collection. Moreover, the *Act* has distinct requirements for agricultural employers for earnings from 1988 and after than it does for earnings from before 1988, necessitating two distinct forms. Therefore, upon receiving the request for corrected earnings from an agricultural worker, SSA will pre-complete parts of the form that identify the SSA office and the employee and will then send Forms SSA-1002 or SSA-1003 to the agricultural employers to collect evidence of wages paid. SSA-1002 is used for earnings statements occurring years prior to 1988, and SSA-1003 is used for earnings statements occurring for years 1988 and after.

- The *Act* states that an employer uses Form SSA-1002 if: (1) an employer's annual agricultural payroll is $2,500 or more; (2) an employer paid wages to an agricultural employee; and (3) the employee was covered prior to January 1, 1988. The *Act* states that an employer uses Form SSA-1003 if: (1) if an employer whose annual agricultural payroll is $2,500 or more paid the wages;

(2)an employer paid wages to an agriculture employee ; and (3) if the employee was covered effective January 1, 1988. (If the employer's payroll is less than $2,500, we cover wages of $150 or more, and we eliminate the 20-day work test). In the case of seasonal agricultural workers, we do not cover wages less than $150 even if the employer's annual payroll is $2,500 or more, unless the employer meets the following conditions: is a seasonal hand-harvest laborer paid on piece-rate basis; commutes daily from his or her permanent residence to the farm where employed; and has employment in agriculture, less than 13 weeks during the preceding calendar year. The respondents are agricultural employers whose workers request wage verification or correction for their earnings records.

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

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. Given the high volume of conversions we are coordinating and the more urgent nature of some of the other conversions, we ultimately decided not to prioritize this ICR for conversion to fully submittable PDF at this time. When we are able to schedule this form for conversion to a submittable PDF, we will submit a Change Request to OMB to request prior approval.

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

The nature of the information we collect and the manner in which we collect it preclude duplication. SSA does not use another collection instrument to obtain similar 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 use Forms SSA-1002, or SSA-1003, we would have no means of determining an agricultural employee's true wages when there is a discrepancy between the wages reported by the employer and those claimed by the employee. This could lead to the agricultural employee not receiving the correct amount of credited earnings, which would affect the employee's future Social Security payments. Because we only 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 June 5, 2020, at 85 FR 34703, and we received no public comments. The 30-day FRN published on August 18, 2020, at 85 FR 50862. If we receive any comments in response to this Notice, we will forward them to OMB. We did not consult with the public on the revision of this application

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)***	**Average Wait Time in Field Office (minutes) ****	**Total Annual Opportunity Cost (dollars)*****
SSA-1002	7,500	1	30	3,750	$12.52*	24**	$84,510***
SSA-1003	25,000	1	30	12,500	$12.52*	24**	$281,700***
Totals	**32,500**			**16,250**			**$366,210*** **

* We based this figures on average Agricultural Workers hourly salary, 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 2020 wait times for field offices, based on SSA's current management information data.

*** 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.**

In addition, OMB's Office of Information and Regulatory Affairs 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)****
32,500	1	30	16,250	$203,450

****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 10 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 collection instrument is **16,250** burden hours (reflecting SSA management information data), which results in an

associated theoretical (not actual) opportunity cost financial burden of **$569,660**. SSA does not charge respondents to complete our applications.

13. **Annual Cost to the Respondents(Other)**
This collection does not impose a known cost burden on the respondents.

14. **Annual Cost To Federal Government**
The annual cost to the Federal Government is approximately **$177,6362**. This estimate accounts for costs from the following areas:

Description of Cost Factor	**Methodology for Estimating Cost**	**Cost in Dollars***
Designing, Printing, and Distributing the Form	Design Cost + Printing Cost + Distribution Cost	$2,112
SSA Employee (e.g., field office, 800 number, DDS staff) Information Collection and Processing Time	GS-9 employee x # of responses x processing time	$406,250
Systems Development, Updating, and Maintenance	GS-9 employee x man hours for development, updating, maintenance	$1,368,000
Total		**$177,6362**

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. We do not track design costs or upkeep costs (as these are based on employee time and may vary from collection to collection). 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. Finally, SSA prefers not to provide breakdowns of estimated payment to employees who process these items for a variety of reasons (only one of which is that it is not possible to do this entirely accurately).

15. **Program Changes or Adjustments to the Information Collection Request**
There are no changes to the public reporting burden.

* Note: The total burden reflected in ROCIS is **45,500**, while the burden cited in #12 of the Supporting Statement is **16,250**. This discrepancy is because the ROCIS burden reflects the following components: field office waiting time + a rough estimate of a 30-minute, one-way, drive burden + learning costs. In contrast, the chart in #12 of the Supporting Statement reflects actual burden.

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 requirements to print the OMB expiration date on its program forms. SSA produces millions of public-use forms with life cycles exceeding those of 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 the expired OMB approval dates, avoiding Government waste.

18. **Exceptions to Certification Statement**

SSA is not requesting an exception to the certification requirements of *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 collection.