Multistate Financial Institution Data Match
and
Federally Assisted State Transmitted Levy
(MSFIDM/FAST Levy)

OMB Information Collection Request
0970 – 0196

Supporting Statement
Part A - Justification

September 2023

Type of Request: Revision

1. **Circumstances Making the Collection of Information Necessary**

Collecting information for the Multistate Financial Institution Data Match (MSFIDM) and Federally Assisted State Transmitted (FAST) Levy programs is necessary to fulfill statutory requirements for child support enforcement.

State child support agencies (CSAs) are federally required to implement a data matching process with financial institutions to secure financial account information that may result in collecting past-due child support from an obligor.

The federal Office of Child Support Services (OCSS) must provide technical assistance to CSAs to help them establish effective systems for collecting child and spousal support. OCSS has authority to develop agreements and conduct a data match through the federal parent locator service (FPLS). Through the technical assistance requirement, OCSS worked with CSAs and multistate financial institutions (MSFIs) to design, develop, and implement an automated, centralized, and secure information exchange ("data match") program (MSFIDM).

Because of the MSFIDM program, CSAs send thousands of paper lien/levy notices to MSFIs and the MSFIs send paper responses to those notices. OCSS, CSAs, and MSFIs developed a process to automate and improve lien/levy actions. This collaboration resulted in the "Federally Assisted State Transmitted Levy" (FAST Levy), which is a centralized application for CSAs to electronically exchange lien/levy information securely and efficiently.

Using FAST Levy significantly reduces delays and costs in executing lien/levy notices. Expedited lien/levy notices reduce the opportunity for an obligor, who owes past-due support payments to state agencies and families, to liquidate assets. FAST Levy lowers administrative costs by eliminating the time it takes for respondents to manually prepare paper lien/levy notices and postage costs for mailing. Security and privacy protections are strengthened by the secure, automated transmission method.

The MSFIDM/FAST Levy information collection activities are authorized by:

(1) 42 U.S.C. § 652(l), pursuant to 12 U.S.C. § 3413(d), which is a federal statutory exception to section 1113(d) of the Right to Financial Privacy Act of 1978, which prohibits a financial institution from providing financial information without prior notice or authorization of the customer; (2) 42 U.S.C. § 652(l), which authorizes OCSS, through the FPLS, to aid state agencies and MSFIs in reaching agreements to receive and transfer information from MSFIs about the location of accounts held by obligors who owe past-due support to state agencies; (3) 42 U.S.C. § 666(a)(2) and (c)(1)(G)(ii), which requires state agencies to establish procedures to secure assets to satisfy any current support obligation and arrearage by attaching and seizing assets of the obligor held in financial institutions; (4) 42 U.S.C. § 666(a)(17), which requires state agencies to establish procedures under which the state agencies shall enter into agreements with financial institutions doing business in the State – (i) to develop and operate, in coordination with financial institutions and the FPLS (in the case of MSFIs), a data match system, using automated data exchanges to the maximum extent feasible, in which a financial institution is required to provide, quarterly, information

pertaining to an obligor parent owing past-due support who maintains an account at the institution; and, (ii) in response to a notice of lien or levy, encumber or surrender assets held; (5) 42 U.S.C. § 652(a)(7), which requires OCSS to provide technical assistance to state agencies to help them establish effective systems for collecting child and spousal support; and, (6) 45 CFR § 303.7(a)(5), which requires state agencies to transmit requests for information and provide requested information electronically to the greatest extent possible.

This request is for a revision of the currently approved information collection. An explanation of changes is provided under item #15.

2. Purpose and Use of the Information Collection

The purpose of the MSFIDM/FAST Levy information collection is for OCSS to enhance child support enforcement and collection. MSFIs must complete and send OCSS the standard MSFIDM Form ("Election Form") to participate in the MSFIDM. OCSS uses information from the Election Form to determine:

- the MSFI contact information includes the MSFI name, address, phone number, and a point of contact at the institution
- whether the MSFI will participate in the MSFIDM program
- the preferred data exchange method
- the date to receive the first file from OCSS
- the transmitter information, if applicable
- whether the MSFI wants the file to go directly to its authorized transmitter
- whether the MSFI wants to change the transmitter information or the data transmission method

CSAs submit information about obligors who owe past-due support to the OCSS Debtor File (OMB # 0970-0161). OCSS provides a quarterly inquiry file containing Debtor File information to participating MSFIs to match with account holder information. The MSFIs return data to OCSS, which includes the name, address, Social Security number (SSN) or taxpayer identification number, and other identifying information for each obligor owing past-due support who maintains an account at the MSFI. OCSS disseminates the data match outcomes within 48 hours to the CSA responsible for collecting past-due support. Upon receipt of MSFIDM outcomes from OCSS, the CSAs can seize the account(s) in the financial institution to satisfy the past-due and any current support obligation. CSAs may use FAST Levy to quickly seize financial assets in accounts held by obligors who owe past-due support. This improves child support collections; reduces the opportunity for the obligor to liquidate assets; and enhances the ability for CSAs to collect and disperse financial support owed to families.

3. Use of Improved Information Technology and Burden Reduction

To reduce the burden, respondents may send and receive MSFIDM information through OCSS's Child Support Portal (OMB # 0970-0370) or through Secure File Transfer Protocol (SFTP) exchanges with the Social Security Administration, the agency that houses the MSFIDM application. MSFIs use OCSS's standard financial institution data match record layout for one-time programming of files used in the automated SFTP data match or files to upload and download through the Portal.

OCSS also works with state CSAs and financial institutions to implement FAST Levy to reduce costs associated with manually processed documents. To convert to the FAST Levy lien/levy notice process, agencies will program their existing systems according to OCSS's standard record layout.

The file format used in existing electronic banking systems is the "ANSI X9.129 standard format" ("X9"). OCSS programmed the FAST Levy application to accept the "X9" formatting as an incentive to increase the participation of financial institutions without imposing any burden on banking systems.

4. **Efforts to Identify Duplication and Use of Similar Information**

The national and centralized sources for MSFIDM program and automated FAST Levy processes are unique to OCSS.

5. **Impact on Small Businesses or Other Small Entities**

There is no impact on small businesses or other small entities.

6. **Consequences of Collecting the Information Less Frequently**

42 U.S.C. § 666(a)(17) requires agencies and financial institutions to conduct the data match quarterly. Conducting the data match less frequently will result in violating federal law and, potentially, missed collections for families with children.

Collecting the FAST Levy information less frequently will negatively affect child support recipients and their families because it impedes the state agency from collecting delinquent child support more efficiently. It also prevents the CSA from reducing costs and gives obligors who owe past-due support an opportunity to liquidate assets and close their accounts before the financial institution receives notification from the state agency to freeze and seize those assets.

7. **Special Circumstances Relating to the Guidelines of 5 CFR 1320.5**

There are no special circumstances for the MSFIDM. Submitting the Election Form is required for MSFIs at the onset of the match, and MSFIs use it to notify OCSS of changes to their transmitter or if the file exchange option changes.

FAST Levy's automated transmissions occur daily to ensure CSAs have the greatest opportunity to freeze an obligor's assets to collect past-due support.

8. **Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency**

In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13) and Office of Management and Budget (OMB) regulations at 5 CFR Part 1320 (60 FR 44978, August 29, 1995), OCSS published a notice in the Federal Register at 88 FR 42370 on June 30, 2023. The notice announced OCSS's intention to seek OMB approval of this information collection activity and provided 60 days for the public to submit comments. OCSS did not receive comments.

9. Explanation of Any Payment or Gift to Respondents

Not applicable.

10. Assurance of Confidentiality Provided to Respondents

OCSS assures the privacy of respondent information to the greatest extent possible under federal law. 42 U.S.C. § 653(m) requires the Secretary of Health and Human Services to establish and implement safeguards to restrict access and use of confidential information to authorized persons. 42 U.S.C. § 654(26) provides that each state must have safeguards in effect designed to protect privacy rights.

OCSS has specific administrative, technical, and physical controls in place to ensure the multistate financial institution data matches, the levy notices, and the responses transmitted through FAST Levy will be secure and protected from unauthorized access. Logical access controls that limit access to information are in place for authorized users. OCSS and respondents transmit all data over secure and dedicated lines.

11. Justification for Sensitive Questions

CSAs collect sensitive information, such as an individual's SSN, to provide accurate child support services, such as establishing parentage, establishing or modifying enforcement orders, and fulfilling other child support program requirements. SSNs are a required data element of the MSFIDM program to guarantee that the correct person is matched to the identified financial account and the financial institution freezes and seizes the correct person's account.

12. Estimates of Annualized Burden Hours and Costs

Information Collection Instrument	Number of Respondents	Number of Responses Per Respondent	Average Burden Hours Per Response	Annual Burden Hours	Average Hourly Wage	Total Annual Cost
Financial Data Match Record Specifications Match File Upload/Download: Portal Users	263	4	0.083	87.3	$70.96	$6,194.81
Election Form	13	1	0.5	6.5	$134.42	$873.73
FAST-Levy Response Withhold Record Specifications: Financial Institutions	1	1	1,716	1,716.0	$94.04	$161,372.64
FAST-Levy Request Withhold Record Specifications: State Child Support Agencies	2	1	1,610	3,220.0	$94.04	$302,808.80
Estimated Total Annual Burden hours				5,029.8	**Estimated Total Annual Cost**	$471,249.98

OCSS calculated costs for MSFIDM and FAST Levy using the Bureau of Labor Statistics (BLS) job codes 13-2099, 11-3031, and 15-1251 with an hourly wage of $35.48, $67.21, and $47.02, respectively. To account for fringe benefits and overhead, OCSS multiplied the hourly rate by two, to arrive at the hourly wages in the table above. All wage information derives from the most current Bureau of Labor Statistics (BLS) figures https://www.bls.gov/oes/current/oes_nat.htm#00-0000.

Using the BLS wage rates, the average hourly rate for financial analysts, who would need to manually upload or download a file, is $35.48. For the total annual costs, the total burden hours are multiplied by the hourly wage rate, which is doubled to account for fringe benefits and overhead (87.3 hours x $70.96 = $6,194.81 annually).

The hourly rate for financial managers at a financial institution, who would complete the Election Form, is $67.21. For the total annual costs, the total burden hours are multiplied by the doubled hourly wage rate (6.5 hours x $134.42 = $873.73 annually).

The estimated FAST Levy burden hour costs for financial institutions and state agencies are the estimated hourly cost for computer programmers ($47.02/hour) to reprogram or program. For the total annual costs, the total burden hours are multiplied by the doubled hourly wage rate for both financial institutions (1,716 hours x $94.04 = $161,372.64 annually), and state agencies (3,220 hours x $94.04 = $302,808.80 annually).

The estimated annualized cost to respondents for the hour burden is the annual burden hours multiplied by the average hourly wage rate for each line item in the chart above. Adding those totals together gives the estimated total annual cost of $471,249.98.

For the MSFIDM program, the total number of respondents changes weekly depending on mergers, acquisitions, and new financial institutions that may elect to participate. Collectively, MSFIDM program respondents submit data to OCSS on behalf of 3,417 financial institutions. Some financial institutions and respondents report for themselves, while other respondents report for a large number of financial institutions. The respondent performs the match and returns the response file to OCSS via the Child Support Portal or SFTP transmission. There is no hourly burden to use the SFTP transmission method; however, there is an estimated five-minute burden per response for the 263 respondents to upload or download files using the Portal. There are no programming costs for the transmitter to change transmission methods; the record specifications are the same for both transmission methods.

OCSS does not anticipate new MSFIs will use SFTP transmission to participate, so there is no programming burden estimates associated with the MSFI record specifications; however, an average of 13 Election Forms are sent to OCSS annually, which takes respondents approximately 30 minutes (0.5 hours) to complete and submit.

For FAST Levy, OCSS estimates adding one new user per process function annually. Automated system programming for MSFIs takes approximately 1,716 hours and approximately 1,610 hours for states.

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

The data match system is already in place; therefore, there is no capital or start-up cost burden to respondents for the MSFIDM program. The annual operating costs are for central processing unit (CPU) time to process the financial data match results file four times a year. To determine estimated CPU time costs, three financial institutions (Logix FCU, Bank of America Overseas Military, and Wings Financial FCU) shared their CPU times, the average of which is 26.6 minutes, or $319.20, based on $12 per CPU minute. The annual cost to process a data match results file four times a year for 280 transmitters is approximately $357,504[1]. Any maintenance costs are usual and customary for system upkeep.

14. Annualized Cost to the Federal Government

Annualized cost to the federal government is $649,124 for the MSFIDM and FAST Levy applications. This includes the system development and technical assistance contracting fees, telecommunications, security, data quality, and software and hardware costs incurred by OCSS. The MSFIDM application and program are primarily in an operations and maintenance lifecycle phase.

15. Explanation for Program Changes or Adjustments

The MSFIDM/FAST Levy instruments underwent minor edits to replace the "Office of Child Support enforcement (OCSE)" with the "Office of Child Support Services (OCSS)." This adjustment constitutes a program change but does not impact the burden.

The average number of annual MSFIDM respondents who submitted Election Forms to update transmitter or contact information changed from 15 to 13 since the previous approval. The slight adjustment resulting in a decrease of one hour to the burden for submitting an Election Form; however, it did not impact the total burden hours.

16. Plans for Tabulation and Publication and Project Time Schedule

OCSS publishes aggregate information from the MSFIDM in the Child Support Services Annual Report to Congress, but that information is not used for statistical purposes. OCSS does not tabulate or publish FAST Levy information.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

Not applicable.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

Not applicable.

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[1] Estimate calculated from system usage rates charged by our Data Center provider.