

## Justification

**Employer's Quarterly Report of Contributions under the RUIA**

RRB Form DC-1 and DC-1 (Internet)

1. Circumstances of information collection - Under Section 8 of the Railroad Unemployment Insurance Act (RUIA) (45 U.S.C. 358), every employer shall pay to the Railroad Retirement Board (RRB) a contribution with respect to the compensation paid to an employee in any calendar month for service by such employee. Each employer will have an experience-rated rate of contribution determined by the RRB, primarily on the basis of RUIA benefit payments made to the employees of that employer. These experience-based contributions take into account the frequency, volume, and duration of RUIA benefits, both unemployment and sickness, attributable to a railroad's employees. Each employer's contribution rate will also include a component for administrative expenses and a component to cover costs shared by all employers.

The basic contribution rates for railroad employers range from a minimum of 0.65 percent to a maximum of 12.00 percent, and the maximum monthly compensation to which employer contributions apply is adjusted for inflation each year. Under the experience-based system, each employer will be notified by the RRB of its experience-based contribution rate by means of an annual notice sent to the employer prior to the calendar year to be reported.

Each employer shall file its contribution report with the Chief Financial Officer (CFO), RRB, or the CFO's designee. The employer's contribution report for each quarterly period shall be filed on or before the last day of the calendar month following the period for which it is made. (20 CFR 345.115)

The regulations prescribing the manner and conditions for remitting the contributions and for adjusting overpayments or underpayments of contributions are contained in 20 CFR 345, Subpart B. Form DC-1, Employer's Quarterly Report of Contributions, may be filed electronically through the Board's authorized agent, via the Pay.gov website.

2. Purposes of collecting/consequences of not collecting the information - The RRB provides a railroad employer with, **Form DC-1, Employer's Quarterly Report of Contributions under the Railroad Unemployment Insurance Act**, to report and remit quarterly contributions. The employer enters the identifying information, the current reporting period, the amounts of compensation and contributions, any necessary adjustments, and the amount of remittance being submitted with the DC-1. The information furnished on the form is used by the RRB to determine whether the contribution rate is consistent with the annual notice, contributions were correctly computed and are consistent with the compensation reported for their employees. The information is also used to update the experience rating database each quarter and is a factor in determining the employer's experience-based contribution rate.

The RRB has a manual and electronic version of the Form DC-1. The DC-1 is the manual version, which is on the RRB.gov website and is fillable and printable, consists of three pages designed for self-completion and provides for the signature of a certifying officer. The instructions for completing the form are provided on the second and third pages. The DC-1 (Internet) is the electronic version which can be completed and submitted through the Pay.gov website with the use of a Pay.gov-issued user-id/PIN/Password, which acts as a substitute for a required signature. The instructions and Paperwork Reduction Act are

accessible through a link on the form.

**The RRB proposes the following changes to the manual and electronic versions of Form DC-1:**

- **Top of page: Changed "Employer Number" to "Employer BA Number"**
  - **Top of page: Changed "Calendar Year and Quarter" to "Reporting Period (Calendar Year and Quarter)"**
  - **Field 1: Changed "Current Reporting Period" to "Reporting Period Compensation".**
  - **Field 2: Changed "Compensation Adjustments reported on Form BA-4" to "Compensation Adjustments - Prior Year Compensation Adjustments Reported on Form(s) BA-4 in the Reporting Period".**
  - **Field 3: Changed "Total" to Total Reporting Period Compensation".**
  - **Field 4: Changed "Total" to "Total Compensation and Corrections"**
  - **Instructions: Updated Paperwork Reduction Act section and instructions to match field name changes to the form.**
3. Planned use of improved information technology or technical/legal impediments to further burden reduction - None at present this time as the RRB has taken steps to offer an electronic alternative in accordance with the Government Paperwork Elimination Act. An Internet version of the Form DC-1 can be completed and submitted through the Pay.gov website with the use of a Pay.gov-issued user-ID/PIN/Password. A PDF fillable version is also available on the RRB's website at: <https://www.rrb.gov/sites/default/files/2019-03/DC-1.pdf>.
- Note: Upon approval of this collection, the RRB will submit the proposed DC-1 (Internet) changes to Pay.gov.**
4. Efforts to identify duplication - To our knowledge, no other agency uses similar forms and this information collection does not duplicate any other RRB information collection.
5. Small business respondents - N.A.
6. Consequences of less frequent collection - Obtaining the employer contributions less frequently by means of Form DC-1 would adversely affect the availability of funds for payment of benefits under the RUIA and would not comply with RUIA regulations.
7. Special circumstances - None
8. Consultations outside the agency - In accordance with 5 CFR 1320.8 (d), comments were invited from the public regarding the information collection. The notice to the public was published on page 17088 of the April 23, 2025, Federal Register. No comments or requests for additional information were received. A review of past submissions to OMB indicates the RRB has not received any comments related to this information collection for

at least 12 years or 4 renewal cycles.

9. Payments or Gifts to Respondents - N.A.
10. Confidentiality - Internal Revenue Service safeguards by reason of incorporation of 45 USC 358(h); also 45 USC 362(d).
11. Sensitive questions - N.A.
12. Estimate of respondent burden - The current annual burden for this collection is shown below.

**Current Burden**

Form Number	Annual Responses	Time (Minutes)	Burden (Hours)
DC-1 (RRB.Gov) (Manual)	720	25	300
DC-1 (Internet) (Pay.Gov)	1,680	25	700
<b>Total</b>	2,400		1,000

**Proposed Burden**

Form Number	Annual Responses	Time (Minutes) <sup>1/</sup>	Burden (Hours)
DC-1 (RRB.Gov) (Manual)	750	25	313
DC-1 (Internet) (Pay.Gov)	1,750	25	729
<b>Total</b>	2,500		1,042

<sup>1/</sup>The RRB has been collecting the information on this form since OMB approved the information collection. Based on a sampling done when the form was originally created, the office calculated the estimated time, which includes time for getting the needed data and reviewing the completed form.

	<u>Responses</u>	<u>Hours</u>
<b>Total Burden Change</b>	2,500	1,042
<b>Total Adjustment</b>	+1,000	+42

13. Estimate of annual cost to respondents or record keepers - N.A.
14. Estimate of cost to Federal government – N.A.
15. Explanation for changes in burden – The overall annual responses increased from 2,400 to 2,500 and overall burden hours increased from 1,000 to 1,042 due to calculating the number of annual responses based on the average of actual DC-1 forms received during Fiscal Years 2023 and 2024.
16. Time schedule for data collection and publication - The results of this collection will not be

published.

17. Request to not display OMB expiration date - The RRB started an extensive multi-year IT Modernization Initiative at the beginning of Fiscal Year 2019 to transform our operations into the 21st Century using multiple contractor services to improve mission performance, expand service capabilities, and strengthen cybersecurity and modernization is still in progress. The RRB hired a new CIO on November 4, 2024 who will be briefed the modernization initiative status and if requested, the RRB will provide OMB with any updates to the consolidated project timeline.

Given that the forms in this collection are seldom revised; the costs associated with redrafting, reprinting, and distributing forms to keep the appropriate OMB expiration date in place; and our desire to reevaluate after the completion of the modernization project, **the RRB requests the authority to not display the expiration date on the forms**

18. Exceptions to the Certification Statement – None.