Supporting Statement for Form SSA-7160
Employment Relationship Questionnaire
20 CFR 404.1007
OMB No. 0960-0040

A. Justification

1. Introduction/Authoring Laws and Regulations

Section *205(a)* of the *Social Security Act (Act)* authorizes the Social Security Administration (SSA) to establish procedures to maintain workers' earnings records. To accomplish this, SSA needs to determine workers' employment status as defined in section *210(j)(2)* of the *Act*, and *20 CFR 404.1007* of the *Code of Federal Regulations*, when their status is uncertain or ambiguous. As defined in our regulations, a worker is an employee under the "usual common-law rules" applicable in determining the existence of an employer-employee relationship.

2. Description of Collection

During rare situations when a worker's employment status is uncertain or ambiguous, SSA requests information to determine a worker's employment status to maintain a worker's earning records. The agency uses paper Form SSA-7160, Employment Relationship Questionnaire, to determine whether an employer-employee relationship exists. We use the information to determine whether a beneficiary is self-employed or an employee and to develop the employment relationship. Respondents must provide this information so SSA employees can determine the worker's employment status for earnings development. SSA Field Office (FO) staff inform respondents and their employers about SSA's policy and the associated information collection, explaining that they must complete the questionnaire so SSA can determine the employment relationship. The FO prints the form and gathers comprehensive information and assists the employee and employer as needed to ensure they understand the questions. Once the respondent completes the questionnaire, the FO faxes and stores the information in the agency's Non-Disability Repository for Evidentiary Documents (NDRED) using the Evidence Portal.

We identified the following psychological costs based on the requirements for this information collection:

Psychological Cost:

- **Requirement for Program:** The agency requires the worker and their employer to respond to questions on the SSA-7160 which request specific and precise information, as well as short-answer, open-ended questions to determine the employer-employee relationship and the worker's employment status.

- **Psychological Cost:** Workers and employers may experience stress when responding to questions on the SSA-7160, particularly due to the nature and specificity of certain questions. For example, question #3 requires respondents to explain the details of their work agreement, which may be difficult if the terms were informal or not clearly documented. Question #6 asks for the exact months and days worked, which can be challenging for individuals who have not kept detailed records. Additionally, the short-answer questions may feel daunting, as they require respondents to provide narrative explanations rather than selecting from predefined options. This stress may increase if workers and employers are concerned that discrepancies in their answers could lead SSA to make an unfavorable decision. If SSA issues an unfavorable decision, the employees may become ineligible for future benefits if SSA discredits their earnings due to a lack of proof of an employer-employee relationship. As a result, both the employee and employer may find the process so stressful that they take longer to complete the form, postpone it, or stop answering the questions entirely.

We understand these psychological costs may cause respondents to delay their completion of the information collection or cause them to abandon the information collection entirely. However, we require full completion of this collection to receive benefits. Therefore, we have taken this potential psychological cost into account when calculating our burden in #12 below.

The respondents are individuals seeking to establish their status as employees, as well as households, businesses, and state or local governments seeking to establish their status as alleged employers.

3. Use of Information Technology to Collect the Information

Form SSA-7160 is available as a print-only PDF on SSA's website, so SSA employees print the form to gather information needed to assist the employee and employer as needed to ensure they understand the questions. This form cannot be submitted electronically to SSA either through the Upload Documents evidence portal, or through other means. 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 scheme, but this may be unconnected to the PRA approval lifecycle.

We use Form SSA-7160 in rare and specific situations when a worker's employment status is uncertain or ambiguous. We request the form only when we need additional information to determine the correct employment relationship for Social Security coverage and to ensure the accuracy of a worker's earnings record. Because SSA encounters the need for this form infrequently and only in unique, case-specific circumstances, the volume of submissions remains very low (less than 25, in 2025). Due to these reasons, we ultimately decided not to prioritize this ICR to fully submittable PDF, or other electronic implementation 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 precludes duplication. SSA does not use another collection instrument to obtain similar data.

5. **Minimizing Burden on Small Respondents**
This collection does not affect small businesses or other small entities.

6. **Consequence of Not Collecting Information or Collecting it Less Frequently**
If we do not use Form SSA-7160, we cannot ensure the accuracy of workers' earnings records under the Social Security system. Because we only collect the information once, we cannot collect it less frequently. There are no technical or legal obstacles to prevent 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 July 31, 2026, at 91 FR 48470 and we received no public comments. The 30-day FRN published on September 24, 2026, at 91 FR 60677. If we receive any comments in response to this Notice, we will forward them to OMB. We did not consult with the public in the development revision of this form.

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**

Method of Completion	**Number of Respondents**	**Frequency of Response**	**Average Burden Per Response (minutes)**	**Estimated Total Annual Burden (hours)**	**Average Theoretical Cost Amount (dollars)***	**Average Wait Time in Field Office (minutes)****	**Total Annual Opportunity Cost (dollars) *****
SSA-7160	19	1	25	8	$ 33.54 *	21**	$503***

* We based this figure on an average U.S. citizen's hourly salary ($33.54), as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

** We based this figure on the average August 2026 wait time for field offices (21 minutes), as captured by SSA's current management information data. This figure is also posted on our public-facing website (Social Security performance | SSA). As the figures fluctuate, the wait times may be different on the website than they appear here. While we have included wait time for all respondents who complete the paper form, we note that respondents are not required to complete the form in person and those who mail or drop off a completed form do not experience any wait time.

*** This figure does not represent actual costs that SSA is imposing on individuals; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the information collection. **<u>There is no actual charge to respondents to complete the information collection</u>**.

In addition, OMB's Office of Information and Regulatory Affairs (OIRA) 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)********
19	1	30	9	$302****

****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 calculated the following Learning Cost time burden based on the estimated time and effort we expect respondents will take to learn about this program, its applicability to their circumstances, and to cover any additional research we believe respondents may need to take to understand how to comply with the program requirements (beyond reading the instructions on the collection instrument):

Total Number of Respondents	**Frequency of Response**	**Estimate Learning Cost (minutes)**	**Estimated Total Annual Burden (hours)**	**Total Annual Learning Cost (dollars)*******
19	1	25	8	$268*****

*****We based this dollar amount on the Average Theoretical Hourly Cost Amount in dollars shown on the burden chart above.

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 as well as from years of conducting this information collection. Per our management information data, we believe that **25** 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 ICR is **8** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **$1,073**. 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 **$7,626**. This estimate accounts for costs from the following areas:

Description of Cost Factor	**Methodology for Estimating Cost**	**Cost in Dollars***
Designing and Printing the Form	Design Cost + Printing Cost	$0**
Distribution, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	$0**
SSA Employee (e.g., field office, 800 number, DDS staff) Information Collection	GS-9 employee x # of responses x processing time	$4,206

and Processing Time		
Full-Time Equivalent Costs	Out of pocket costs + Other expenses for providing this service	$0*
Systems Development, Updating, and Maintenance	GS-9 employee x man hours for development, updating, maintenance	$3,420
Quantifiable IT Costs	Any additional IT costs	$0*
Total		**$7,626**

* We have inserted a $0 amount for cost factors that do not apply to this collection.

** We centrally print this form, and are unable to provide the exact figure for this form as we print it along with several other agency forms. In addition, since we centrally print this form, we also distribute and ship it from the centralized printing facility along with several other form, and we do not account for distribution or shipping of any specific form. Finally, since we account for the cost of the centralized printing of these forms elsewhere, we do not want to double-count the cost of the printing here.

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. In addition, it is difficult for us to break down the cost for processing a single form, as field office staff often help respondents fill out several forms at once, and the time it takes to do so can vary greatly per respondent. Also, 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. However, we have calculated these costs as accurately as possible based on the information we collect for creating, updating, and maintaining these information collections.

15. Program Changes or Adjustments to the Information Collection Request

When we cleared the this ICR in 2023, the burden was 19 hours. However, we are currently reporting a burden of **8** hours. This change stems from a decrease in the number of responses from **45 to 19.** As mentioned in #2 above, it is rare situations when SSA needs information to determine a worker's employment status. There is no change in the burden time per response. Although the number of responses decreased, SSA did not take any action to cause this change. These figures represent current Management Information data.

*Note: The total burden reflected in ROCIS is **32**, while the burden cited in #12 of the Supporting Statement is **8**. This discrepancy is because the ROCIS burden reflects the following components: field office waiting time + telephone call system wait times + a rough estimate of a 30-minute, one-way, drive burden. In contrast, the chart in #12 above 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 requirement to print the OMB expiration date on its program forms. SSA produces millions of public-use forms with life cycles exceeding those of an 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 expired OMB approval dates, avoiding Government waste.

18. Exceptions to Certification Statement

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