U.S. Securities and Exchange Commission

PAPERWORK REDUCTION ACT SUPPORTING STATEMENT

for the Extension of
Ombudsman Matter Management System (OMMS) Form
OMB Control Number 3235-0748

The U.S. Securities and Exchange Commission ("Commission" or SEC) submits this information collection request (ICR) pursuant to the Paperwork Reduction Act of 1995 (PRA), 44 U.S.C. Section 3501 et seq., with the following justification.

1. Necessity of Information Collection

In 2017, the Securities and Exchange Commission ("Commission") introduced the Ombudsman Matter Management System ("OMMS"), an electronic data collection system for the receipt, collection and analysis of inquiries, complaints, and recommendations from retail investors directed to the SEC Ombudsman (Ombudsman) and the Office of the Investor Advocate. Section 4(g)(8) of the Securities Exchange Act of 1934 (Exchange Act), 15 U.S.C. § 78d(g)(8) requires the SEC Ombuds to (i) act as a liaison between the Commission and any retail investor in resolving problems that retail investors may have with the Commission or with self-regulatory organizations ("SROs"); (ii) review and make recommendations regarding policies and procedures to encourage persons to present questions to the Investor Advocate regarding compliance with the securities laws; and (iii) establish safeguards to maintain the confidentiality of communications between the persons described in clause (ii) and the Ombuds. In addition, Section 4(g)(8) of the Securities Exchange Act of 1934 (Exchange Act), 15 U.S.C. § 78d(g)(8) requires the Ombudsman to submit a semi-annual report to the Investor Advocate describing the activities and evaluating the effectiveness of the Ombudsman during the preceding year.

Before 2017, the Ombudsman used a manual system to record investor inquiries and concerns, track staff responses, and analyze data and trends, an inefficient and time-intensive process. To address these challenges, the Commission retained consultants to build an electronic record-keeping system. The result was OMMS, which was launched for internal use by SEC staff in 2017.

OMMS was created to simplify the collection and management of information, centralize records, and improve staff efficiency in accessing and using this information. It uses a web-based form, the "OMMS Form," which guides users through basic questions, prepopulated lists, and fillable fields to gather relevant information for the Ombudsman's functions.

The OMMS Form, available to the public since September 2017, collects detailed contact information to facilitate efficient communication and allows users to upload related documents for staff review. The Commission gathers user feedback to improve future versions of OMMS and the OMMS Form as necessary.

In 2026, the Commission will complete enhancements to the Investor Response Information System (IRIS), an electronic record-keeping system utilized by the Commission's Office of Investor Education and Assistance (OIEA) and the Commission's Regional Offices. The Commission's

enhancements to IRIS to accommodate OMMS will enable the Ombudsman to maintain the confidentiality of communications while improving staff efficiency in responding to investor concerns.

In connection with these enhancements, the OMMS Form will be modified to adopt certain fields used by the webforms hosted by OIEA and used in IRIS. Specifically, the OMMS Form will no longer include the question "Are you a retail investor?" Instead, a user of the OMMS Form will be asked to respond to a prepopulated list, which asks whether the submitter is a: Individual Investor; Registered Representative; Accountant; Other Financial Professional; Issuer/Attorney for an Issuer; Brokerage Firm Compliance Officer; Academic/Researcher/Student; Member of the Press.

2. Purpose and Use of Information Collection

The purpose of using OMMS to collect and manage information is to improve the services provided by the Ombudsman. OMMS is designed to: (i) offer a user-friendly and mobile-friendly way for retail investors to submit detailed information to the Ombudsman; (ii) automate a significant proportion of the manual intake process; (iii) reduce the staff resources needed to track and monitor matters and responses; (iv) increase staff resources available to engage with investors, investigate issues, and resolve concerns; and (v) supplement the existing safeguards to maintain the confidentiality of communications with the Ombudsman.

The key use of information collected by the OMMS Form is to: (i) identify and respond to problems retail investors have with the Commission or with SROs; (ii) track and analyze matter volume, response, and resolution times; (iii) categorize and report matter trends and concerns; and (iv) provide data-driven support for recommendations presented by the Ombuds to the Investor Advocate for review and consideration.

The purpose of this new information collection is to identify whether the submitter is a "retail investor." The information collection will be used to support the uses discussed above, including to provide additional information for recommendations presented to the Investor Advocate.

3. Use and Consideration of Information Technology

Prior to 2017, the public was able to contact the Ombuds through traditional mail, electronic mail, telephone and facsimile only. However, since the launch of the OMMS electronic data collection system, the public is now able to contact the Ombuds through OMMS (using the OMMS Form) in addition to previously existing methods.

Persons who choose to contact the Ombuds via the OMMS Form encounter user-friendly and mobile-friendly features. These include radio buttons, drop-down menus, pop-up explanation bubbles, webpage links, fillable narrative text fields, and options to upload documents. The OMMS Form also has functionality that, based on certain responses, pre-fills specific fields and prompts the user for additional information. By gathering specific information from the user, the OMMS Form facilitates communication with the Ombuds, reduces response and resolution times, and optimizes the use of Ombuds staff resources for recording, processing, and responding to matters.

The requested information collection is voluntary, regardless of how persons contact the Ombuds. Additionally, persons who do not use the OMMS Form receive the same level of service and attention to their concerns as those who do.

4. Identifying and Minimizing Duplication

OMMS, and the corresponding OMMS Form, are tailored as described in Item 2 above to collect and retain information in a manner designed to support the Ombuds's statutory requirements under Section 4(g)(8) of the Securities Exchange Act of 1934 (Exchange Act), 15 U.S.C. § 78d(g)(8). Prior to 2017, there was no existing collection instrument available to gather electronically the information necessary to meet the particular purposes described in Item 2 above and there was no system available to manage and retain that information in a manner that supports the Ombuds's statutory requirements, including the requirement to establish safeguards to maintain the confidentiality of communications between certain persons and the Ombuds.

5. Effect on Small Entities

The burden of compliance with the information collection requirement does not impact small businesses or other small entities.

6. Consequences of Not Conducting Collection and Obstacles to Reducing Burden

The information solicited via the OMMS Form is the foundational information the Ombuds relies upon to effectively serve as a liaison between the Commission and retail investors seeking assistance to resolve conflicts they may have with the Commission or with SROs. Likewise, the information covered by the OMMS Form is the same information the Ombuds currently gathers manually (if required to do so due to the method of communication by which persons contact the Ombuds) to support the review, recommendation, and reporting obligations under Section 4(g)(8) of the Securities Exchange Act of 1934 (Exchange Act), 15 U.S.C. § 78d(g)(8).

Prior to the launch of OMMS in 2017, the Ombuds and staff were dependent upon manual information management methods to collect, document, track, and respond to telephone, electronic mail, facsimile, and paper correspondence received from retail investors and others members of the public. This data collection method limited the use and accuracy of the information recorded and the efficacy of staff resources. Furthermore, manual documentation of and responses to a single inquiry dictated that staff enter, update, and search for related data in multiple systems. These separate systems also required independent procedures for maintaining the confidentiality of different types of information when circumstances so dictated.

7. Inconsistencies with Guidelines in 5 CFR 1320.5(d)(2)

There are no special circumstances. This collection is consistent with the guidelines in 5 CFR 1320.8(d).

8. Public Comment and Consultations Outside the Agency

The SEC did not receive public comment during the 60-day notice and comment period.

9. Payment or Gift to Respondents

Not applicable.

10. Assurance of Confidentiality and Privacy

Section 4(g)(8) of the Securities Exchange Act of 1934 (Exchange Act), 15 U.S.C. § 78d(g)(8) requires the Ombuds to establish safeguards to maintain the confidentiality of certain communications. The Ombuds has existing safeguards in place, including a separate email address, dedicated telephone and fax lines, and secure file storage, to protect the confidentiality of communications. OMMS, the

OMMS Form, and the use of information submitted via the OMMS Form, complies with Section 4(g)(8) of the Securities Exchange Act of 1934 (Exchange Act), 15 U.S.C. § 78d(g)(8) and with the security, privacy, and confidentiality requirements and policies established by the Commission. The OMMS Form provides additional information about privacy and confidentiality, and includes a web link to the Commission's privacy policy and related information available on www.sec.gov.

In addition, to support and augment these requirements and policies, the Ombuds follows a confidentiality standard of practice whereby information provided by a person in confidence, including identity, is not disclosed unless expressly authorized by the person to do so or if required by law or other exigent circumstances, such as a threat of imminent risk or serious harm. At times, the Ombuds may need to disclose information on a limited basis to other agency staff to address inquiries and related issues. In these instances, information is shared only to the extent necessary to route and review the matter. This standard of practice is substantially similar to the standard of practice followed by ombudsmen at other federal financial regulatory agencies.

In accordance with Section 208 of the E-Government Act of 2002, the agency has conducted a Privacy Impact Assessment (PIA) for the OMMS system related to this information collection. The current OMMS PIA is available at https://www.sec.gov/files/pia-omms.pdf. A Privacy Act Statement applies to this information collection and is included on the web form at https://omms.sec.gov/. The statement appears under "Important Information – Please Read" at the top of the form and in the footer at the bottom.

No information of a sensitive nature, including social security numbers, will be required under this collection of information. The information collection collects basic Personally Identifiable Information (PII) that may include Name, Address, Telephone Number, Email Address, Zip Code, Job Title, Date/Time of Matter Submission, and Voice Recordings. The agency has determined that this information collection constitutes a system of record under the Privacy Act and is covered by System of Records Notice (SORN) SEC-31, Correspondence Response System, which is available at https://www.sec.gov/about/privacy-information/system-records-notices.

11. Collection Questions of a Sensitive Nature

Not applicable.

12. Estimated Time Burden and its Cost Equivalent

For purposes of the Paperwork Reduction Act, we estimate that the OMMS Form requires approximately 30 minutes per response to comply with the collection of information requirements, and project that respondents will submit approximately 1500 responses[1] per year during the renewal period. We derived our burden hour estimates by estimating the average number of hours (.5) it would take a respondent to compile the necessary information and data, input the optional and required information into the OMMS Form, and attach any additional supporting documentation.

Our estimate of 1500 responses is based on an average of the number of OMMS Form submissions received for FYs 2023-2025, consistent with the data reports in FY2022.

Based on our estimates, we calculate the total reporting burden to be 750 hours (.5 hours x 1500 responses). The estimate of burden hours is made solely for the purpose of the Paperwork Reduction

[1] [1] For purposes of our discussion of estimated reporting burdens and cost to the federal government (in Items 12 through Item 15), we refer to new matters submitted via the OMMS Form as "responses."

Act. It is not derived from a comprehensive or even a representative survey or study of the cost of Commission rules and forms. We anticipate that the specific number of responses may fluctuate annually around our projected figure based on market and other activity.

ICR Estimated Time Burden and its Cost Equivalent							
Information Collections (ICs)	**Requirement Type**	**Number of Respondents**	**Frequency of Response (Number of Responses per Respondent per Time Period)**	**Time per Response**	**Equivalent Cost per Response**	**Total Annual Time Burden (Hours)**	**Total Annual Cost Burden Equiv-alent ($)**
OMMS Form	Reporting	1500	Year	Hour	.5	750	0
TOTAL ICs: 1					**ICR TOTAL:**	**750 Hours**	**$0**

13. Estimated Additional Cost Burden

There are no fees or costs charged to use the OMMS Form. Likewise, users need no unique equipment specific to the SEC to respond to this information collection. Users may fill out and submit the OMMS Form using any standard device that allows the user to complete, submit, and transmit a web form to specific recipients.

14. Annual Cost to the Federal Government

There are no annualized start-up costs associated with OMMS. The estimated cost to the federal government is based solely on the costs of information technology and SEC staff time required to review and respond to the OMMS Forms received.[2]

[2] To calculate the occupational hourly rates used in this release, the Commission uses occupational mean hourly wage data from the Occupational Employment and Wage Statistics (OEWS) program of the Bureau of Labor Statistics (BLS) for ["Securities, Commodity Contracts, and Other Financial Investments and Related Activities" (NAICS 523)][the private sector]. See Occupational Employment and Wage Statistics, U.S. BUREAU OF LABOR STATISTICS, https://www.bls.gov/oes/; see also Standard Occupational Classification, U.S. BUREAU OF LABOR STATISTICS, https://www.bls.gov/soc/ (describing occupational classification system used by BLS); EXEC. OFF. OF THE PRESIDENT, OFF. OF MGMT. & BUDGET, NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (2022), available at https://www.census.gov/naics/reference_files_tools/2022_NAICS_Manual.pdf (describing the industry classification system used by BLS and other agencies). The mean hourly wage for each occupation is adjusted for changes in the seasonally adjusted employment cost index for private wages and salaries between the data reference period and when the data are

The number of responses received per year is estimated to remain stable at 1500. Breaking the cost down into its components, the estimated cost to the federal government assumes:

Regular Annual Costs:

Information Technology Costs: $16,630

Estimated staff attorney hours reviewing and responding per form submitted: 3 hours

Estimated number of responses submitted annually: 1500

SEC hourly cost for professional staff: $151

Total Annual Cost (including annualized start-up costs)

Information Technology Costs + (Attorney hours x responses x hourly rate)

16,630 + (3 x 1500 x 151) = $679,500

The total estimated cost to the government based on the assumptions noted above is $679,500 per year. The SEC is in the process of revising its methodologies to estimate annualized costs to the Federal government for all its relevant collections of information. The SEC anticipates that future extensions of this collection of information will reflect the revised methodologies. This estimate is solely for purposes of the Paperwork Reduction Act.

15. Reasons for Changes in Burden Estimates

There are no changes to burden estimates. The Commission anticipates that the burdens imposed by the OMMS Form will vary depending on the complexity of the issues raised with the Ombuds and the amount of information possessed by the individual contacting the Ombuds based on the circumstances involved, the individual's level of industry expertise, and whether the individual seeks the Ombuds's assistance for a complaint or wishes to provide information and/or recommendations for the consideration of the Investor Advocate. With that in mind, the Commission estimates the burdens as follows:

Estimated number of annual responses from all users = 1500 responses

Estimated annual reporting burden = 750 hours (30 minutes per submission)

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released by BLS. See Employment Cost Index, U.S. BUREAU OF LABOR STATISTICS, https://www.bls.gov/eci/. The adjusted mean hourly wage is then multiplied by a factor that accounts for nonwage costs borne by employers, such as bonuses, benefits, and overhead. This factor is calculated as an average over the 10 most recently available years of data of the ratio of the Bureau of Economic Analysis's annual gross output data for [NAICS 523][the private sector] to total annual wages across all occupations for [NAICS 523][the private sector] in the OEWS data. See Gross Output by Industry, U.S. BUREAU OF ECONOMIC ANALYSIS, https://www.bea.gov/data/industries/gross-output-by-industry; Occupational Employment and Wage Statistics, U.S. BUREAU OF LABOR STATISTICS, https://www.bls.gov/oes/. The final product is the occupational hourly rate. See generally UPDATED METHODOLOGY FOR CALCULATING OCCUPATIONAL HOURLY RATES ([Date]), available at [URL].

These numbers reflect our estimate that the number of annual responses from all users will remain stable.[3] Our estimated reporting burden of 30 minutes per OMMS Form submission was originally estimated in 2016.[4]

16. Plans for Publishing Results

Not applicable.

17. Approval to Omit Display of OMB Expiration Date

We seek OMB approval to omit the expiration date for the OMB Control Number of the OMMS form, because the public may find it confusing to see an expiration date on the form, especially when approaching the expiration date.

18. Exceptions to the Certification for Paperwork Reduction Act Submissions

This collection complies with the requirements in 5 CFR 1320.9. This collection imposes no burden on small entities, and does not impose any retention periods on third parties. The information is collected on a voluntary basis and is used to enhance the overall effectiveness of services provided by the Ombuds.

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[3] [2] Our methodology is further discussed under Item 12 above.

[4] [3] The estimated annual reporting burden specifically refers to the burden we anticipate that respondents using the OMMS Form to contact the Ombudsman will bear. The completion of each OMMS Form is a one-time burden of 30 minutes for the user, and each use is strictly voluntary.