

**U. S. OFFICE OF GOVERNMENT ETHICS
SUPPORTING STATEMENT FOR THE OGE FORM 450
EXECUTIVE BRANCH CONFIDENTIAL FINANCIAL DISCLOSURE REPORT
AUGUST 2021**

A. Justification

1.-2. Explain the circumstances that make the collection of information necessary. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The primary use of the information on this form is for review by Government officials of the filer's agency to determine compliance with applicable Federal conflict of interest laws and regulations. The authority for collection of the information on the OGE Form 450 as provided in the underlying Office of Government Ethics (OGE) regulation, primarily at subpart I of 5 CFR part 2634, is two-fold. First, section 201(d) of Executive Order 12674 of April 12, 1989, as amended, directs OGE to establish a system of nonpublic (confidential) financial disclosure by executive branch employees to complement the system of public disclosure under the Ethics in Government Act of 1978 as amended (EIGA), 5 U.S.C. appendix 101. Second, section 107(a) of EIGA authorizes OGE, as the supervising ethics office for the executive branch of the Federal Government, to require that executive agency employees file confidential financial disclosure reports, "in such form as the supervising ethics office may prescribe." The OGE Form 450, together with the underlying OGE regulation initially adopted in 1992 and subsequently modified at 5 CFR part 2634, constitutes the format prescribed by OGE for such confidential financial disclosure in the executive branch.

OGE maintains the form in three formats on its website: a PDF version, a 508 compliant PDF version, and an Excel spreadsheet version.

OGE is submitting the OGE Form 450 confidential financial disclosure form package for an extension of a currently approved collection by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (control number 3209-0006).

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

The OGE Form 450 is available on OGE's website at <http://www.oge.gov>. The form is a viewable and downloadable PDF version of the form that is both fillable and printable, providing a locally reproducible form for use as needed by agencies and the public. In addition, OGE will continue to allow agencies to electronically duplicate the OGE Form 450, provided that the electronic versions precisely duplicate the paper

original. The basis for these electronic initiatives is to lessen burden and to facilitate dissemination to and use of the form by agencies and filers.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.

Not applicable. The OGE Form 450 is the only executive branchwide form used for employee confidential financial disclosure, though individual agencies have obtained OGE approval for the collection of alternative forms or have separate or supplemental disclosures of information based on independent statutory authorities or other unique circumstances.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

Not applicable. This collection of information does not involve small businesses or other small entities.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing the burden.

Not applicable. The collection, including its frequency, is required by 5 CFR part 2634, subpart I, which OGE has promulgated under the cited statutory and executive order authority.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **Requiring respondents to report information to the agency more often than quarterly;**
- **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **Requiring respondents to submit more than an original and two copies of any document;**
- **Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years;**
- **In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or that**

- unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **Requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

No such special circumstances exist. The confidentiality of the information collected is protected according to the requirements of the Ethics in Government Act, and the Privacy Act, and all other applicable laws and regulations.

8. If applicable, provide a copy and identify the date and page number of publication in the *Federal Register* of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB.

OGE published a first round *Federal Register* notice soliciting comments on this information collection on June 2, 2021. See [86 FR 29584](#). OGE received five responses to that notice, one of which did not directly address the information collection. The other four comments suggest requiring additional information, apparently for the benefit of the government employees tasked with reviewing the information. The first comment suggested prompting filers to indicate whether stock was valued at \$15,000 at any time during the reporting period. This comment would require a regulatory change. Two commenters suggested adding a check box for the filer to indicate marital status. The last commenter suggested adding a fillable box for the employee's "SEID" and one for the employee's ID number.

OGE notes that all of these changes would add additional reporting burden to filers and should only be implemented if there is sufficient benefit to warrant the additional burden. Some of these proposals could have privacy implications, which would also need to be considered before implementing the changes. With regard to the first comment, OGE must also determine whether a regulatory change is warranted. It is unclear how many agencies use employee IDs, and adding multiple fields for employee ID numbers could cause confusion. Moreover, it is unclear how adding this information would benefit the confidential financial disclosure process.¹ On the other hand, OGE recognizes that adding a marital status box to the form may benefit the confidential disclosure process.

Any changes made to the form will have to be explained to the more than 130 executive branch agencies, who will then need to explain the changes to hundreds of thousands of filers. This process requires significant government resources. Because of the ongoing Presidential transition and the imminent confidential financial disclosure filing season, OGE has concluded that none of these proposals warrant a change at this time. Accordingly, OGE declined to adopt these suggestions in seeking Paperwork

¹ The commenter stated only that "We are looking to automate our processes and this information on the form would greatly assist with our efforts."

Reduction Act renewal for the OGE Form 450. However, OGE is formulating a plan to consider these proposed changes, as well as others received outside of the PRA process, for an update within the next three years.

OGE published a second round *Federal Register* notice soliciting comments to be directed to OMB on August 13, 2021. See 86 FR 44719.

OGE continually seeks comments from persons outside the agency concerning the impact of its information collection instruments upon filers and agency ethics programs. OGE provides opportunities for comment at ethics symposia and other events. OGE routinely alerts professionals in the ethics community to recently published OGE Federal Register notices via its listserv, various social media applications, and Advisory Memoranda. Visitors to the OGE Website are provided the opportunity to contact OGE with comments or suggestions. In addition, OGE has remained open to any suggestions for improvement received in the course of public comment on the first and second round paperwork notices published in the Federal Register. Any ongoing comments received by OGE as a result of these various means of availability will be considered by OGE for the next Paperwork Reduction Act renewal cycle in three years.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

Not applicable. Respondents receive no payments or gifts.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

Assurance of confidentiality is provided to respondents directly in the instructions to the OGE Form 450. That confidentiality is guaranteed by section 107(a) of the Ethics in Government Act of 1978, 5 CFR 2634.604 of OGE's regulation, and the OGE/GOVT-2 Executive Branch Confidential Financial Disclosure Reports Privacy Act system of records.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

All of the personal financial information required to be reported on the OGE Form 450, as provided in 5 CFR part 2634, is deemed necessary by OGE to permit sufficient agency review for conflict of interest purposes. No sensitive non-financial personal information is collected.

12. Provide estimates of the hour burden of the collection of information.

OGE estimates that an average of approximately 30,449 OGE Form 450 reports will be filed each year by private citizen filers. This number was calculated based on

OGE's annual agency ethics program questionnaire responses. (Private citizen filers are potential incoming employees whose positions are designated for confidential financial disclosure reporting).

OGE estimates that three hours is the average time required to complete the form. The time to complete an OGE Form 450 varies depending on the personal finances of the filer. The three hour figure is an average based on the estimated burden on all types of filers.

Based on the above, the annual reporting burden for private citizen filers is estimated to be 91,347 burden hours. The estimated annualized hour burden cost to private citizen filers is \$6,851,025. This estimate is based on the average annual number of private citizen filers multiplied by an estimated average filer wage rate of \$75 per hour.

13. Provide an estimate for the total annual cost burden to respondents or record-keepers resulting from the collection of information.

For the OGE Form 450, OGE estimates annual burden hours and annual burden hours cost, not annual cost burden to the respondents.

14. Provide an estimate of annualized costs to the Federal Government.

OGE previously reported that the estimated total annual cost of the OGE Form 450 to the Federal Government was \$3,418,932. This estimate was based on the cost to administer the program to private citizen filers only, not the entire confidential financial disclosure program (private citizen filers constitute approximately 7% of all confidential financial disclosure filers). Based on adjustments for inflation since the previous estimate, the new estimated total annual cost is approximately \$3,624,068.

15. Explain the reasons for any program changes or adjustments reported in items 12-14.

The estimated hour burden has changed because the estimated number of filers has changed since our previous submission. OGE bases the number of estimated filers on recent data on actual filers. For 14, the estimate of annualized costs to the Federal Government has been adjusted for inflation since the previous estimate.

16. For collections of information whose results will be published, outline plans for tabulation and publication.

Not applicable. This is a confidential financial disclosure reporting form.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

Not applicable.

18. Explain each exception to the topics of the certification statement identified in Certification for Paperwork Reduction Act Submissions.

Certification items (c), (f) and (i) are not applicable to this information collection.

B. Collections of Information Employing Statistical Methods

Not applicable. This collection of information does not employ statistical methods.