

**1205-0240 SUPPORTING STATEMENT FOR REQUEST FOR ROUTINE EXTENSION
OF OMB APPROVAL UNDER THE PAPERWORK REDUCTION ACT OF 1995**

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A. JUSTIFICATION

This is a justification for the Department of Labor, Employment and Training Administration's (ETA) request for a three year extension of the Labor Exchange Reporting System (LERS). States submit quarterly performance data for the Wagner-Peyser Act funded public labor exchange through ETA 9002 reports and for Veterans' Employment and Training Services (VETS)-funded labor exchange through VETS 200 reports. The Employment and Training (ET) Handbook No. 406 (OMB Control No. 1205-0240) contains the report forms and provides instructions for completing these reports. The ET Handbook No. 406 contains a total of eight reports (ETA 9002 A, B, C, D, E; VETS 200 A, B, C).

The ETA 9002 and VETS 200 reports collect data on individuals who receive core employment and workforce information services through the public labor exchange and VETS funded labor exchange of the states' One-Stop delivery systems.

A.1 Circumstances Necessitating Data Collection

Common performance measures across Federal job training and employment programs enhance the ability to assess the effectiveness and impact of the workforce investment system, including the performance of the system in serving individuals facing significant barriers to employment. By minimizing the different reporting and performance requirements, common performance measures facilitate the integration of service delivery and break down barriers to cooperation among programs.

The common measures are an integral component of the WIA performance accountability system. The value of common measures is the ability to describe in a similar manner the core purposes of the workforce system - how many people found jobs; did people stay employed; and did earnings increase. Standardizing the definitions of the outcomes across programs simplifies reporting, and provides a greater ability to compare and manage results.

Information is collected on the ETA 9002 and VETS 200 Reports under the following authority:

A. Wagner-Peyser Act sec.3(a), 29 U.S.C. 49b(a)

“The Secretary shall assist in coordinating the State public employment services throughout the country and in increasing their usefulness by developing and prescribing minimum standards of efficiency, assisting them in meeting problems peculiar to their localities, promoting uniformity in their administrative and statistical procedures, furnishing and publishing information as to opportunities for employment and other information of value in the operation of the system and maintaining a system for clearing labor between the States.”

B. Wagner-Peyser Act sec. 3(c), 29 U.S.C. 49b(c)

“The Secretary shall –
(2) assist in the development of continuous improvement models for such nationwide system that ensure private sector satisfaction with the system and meet the demands of job seekers relating to the system.”

C. *Wagner-Peyser Act sec. 7(b), 29 U.S.C. 49f(b)*

“Ten percent of the sums allotted to each State pursuant to section 49e of this title shall be reserved for use in accordance with this subsection by the Governor of each such State to provide

—
(1) performance incentives for public employment service offices and programs, consistent with performance standards established by the Secretary, taking into account direct or indirect placements (including those resulting from self-directed job search or group job search activities assisted by such offices or programs), wages on entered employment, retention, and other appropriate factors.”

D. *Wagner-Peyser Act sec. 10(c), 29 U.S.C. 49i(c)*

“Each State receiving funds under this Act shall —

(1) make such reports concerning its operations and expenditures in such form and containing such information as shall be prescribed by the Secretary, and

(2) establish and maintain a management information system in accordance with guidelines established by the Secretary designed to facilitate the compilation and analysis of programmatic and financial data necessary for reporting, monitoring and evaluating purposes.”

E. *Wagner-Peyser Act sec. 13(a), 29 U.S.C. 49l(a)*

“The Secretary is authorized to establish performance standards for activities under this Act which shall take into account the differences in priorities reflected in State plans.”

F. *Wagner-Peyser Act sec. 15(e)(2)(I), 29 U.S.C. 49l-2(e)(2)(I)*

“(e) State responsibilities. —

(2) Duties. — In order to receive Federal financial assistance under this section, the State agency shall—

(I) utilize the quarterly records described in section 2871(f)(2) of this title to assist the State and other States in measuring State progress on State performance measures.”

G. *Provisional Guidance on the Implementation of the 1997 Standards for Federal Data on Race and Ethnicity, Executive Office of the President, Office of Management and Budget (66 FR 3829-3831); and “Revisions to the Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity, (62 FR 58781-58790).*

A.2 How, by Whom, and For What Purpose the Information is to be Used

Each quarter, states and territories submit data on individuals and employers who receive core employment and workforce information services through the public labor exchange and VETS funded labor exchange of the states’ One-Stop delivery systems. These data – submitted to the Department via the ETA 9002 and VETS 200 reports – are used by ETA and VETS to evaluate performance and delivery of labor exchange services within the One-Stop delivery system.

ETA and VETS use the data to track total participants, characteristics, services and outcomes for job seeker customers. Additionally, ETA and VETS analyze the data to determine the delivery of core labor exchange services within the Workforce Investment Act (WIA) framework; to study performance outcomes vis-à-vis performance measures, and state policies and procedures;

and to help drive the workforce investment system toward continuous improvement of outcomes and integrated service delivery. Within ETA, the data are used by the Office of Workforce Investment, the Office of Workforce Security, the Office of Financial and Administrative Management, the Office of Policy Development and Research, the Office of Performance and Technology, and the Office of Field Operations (including the regional offices). Other DOL users include the Office of the Assistant Secretary for ETA and the Office of the Assistant Secretary for Policy.

The reports and other analyses of the data are made available to the states, members of Congress, veterans' organizations, research firms and others needing information on public employment and workforce information services. Data on Wagner-Peyser Act funded public labor exchange is included in the Workforce Investment Act annual report to Congress. VETS funded labor exchange services are provided to Congress to meet VETS reporting requirements codified in Title 38 of the United States Code.

A.3 Use of Technology to Reduce Burden

In order to comply with the Government Paperwork Elimination Act, ETA streamlined the collection of participant data and the preparation of quarterly performance reports by providing uniform data elements and data definitions to states and through the use of technology. All ETA 9002 and VETS 200 reports are submitted to ETA via the Internet. States and local areas determine the best technology for collecting individual case management data according to their unique circumstances and resource availability.

The Labor Exchange Reporting System (LERS), an automated reporting system, has been in use since 2001. ETA developed reporting and data validation software to assist states and territories with generating and validating the quarterly 9002 and VETS 200 reports. This software produces the reports in facsimile format as well as in a file format that can be uploaded directly to LERS. Since 2002, states and territories have used LERS to upload the quarterly ETA 9002 and VETS 200 reports. ETA and VETS have made provisions to allow for the manual transmission of data for those circumstances where electronic transmission is not feasible.

With the implementation of common measures, states and territories have continued to use LERS to upload the quarterly ETA 9002 and VETS 200 reports. ETA and VETS have updated their reporting and validation software to include modified reporting elements to reflect common measures; reflect current federal reporting requirements related to recent legislation (e.g., elimination of Vietnam Era Veterans and inclusion of transitioning service members as a covered category per the Jobs for Veterans Act, P.L. 107-288), and make corrections to the report instructions and forms in response to input from states. Additionally, ETA and VETS continue to make provisions to allow for the manual transmission of data in those circumstances where electronic transmission is not feasible.

A.4 Efforts to Identify Duplication

Information provided through the ETA 9002 and VETS 200 reporting system (LERS) is not

available through other data collection and reporting systems.

A.5 Methods to Minimize Burden on Small Businesses

Small businesses and other small entities will not be affected by collection of this information.

A.6 Consequences of Less Frequent Data Collection

The implementation of common measures in the Wagner-Peyser Act funded public labor exchange and VETS funded labor exchange enhances DOL's ability to assess the overall effectiveness and impact of the workforce investment system, including the performance of the system in serving individuals facing significant barriers to employment. If common measures are not implemented, then states will continue to be burdened with multiple sets of performance measures based on varying definitions and methodologies. Common measures greatly reduce this burden on states and territories.

Performance and other relevant data (as identified in Question 2) for the Wagner-Peyser Act funded public labor exchange and VETS funded labor exchange are reported to DOL via the ETA 9002 and VETS 200 reports. If the collection is not conducted quarterly, then DOL cannot meaningfully assess the impact of the national public employment and workforce information services on job seekers and employers for effectiveness and program management purposes. The inability to utilize accurate and current program information to develop strategies for continuous improvement could negatively affect labor exchange performance and future Congressional appropriations.

Both the DOL and recipient states and territories are mandated by various program-specific legislative acts (as noted above), as well as the Government Performance and Results Act of 1993 (GRPA), to establish performance standards and make available reports concerning operations and expenditures.

A.7 Special Circumstances for Data Collection

These data collection efforts do not involve any special circumstances.

A.8 Federal Register Notice and Consultation Outside the Agency

A Pre-clearance Notice was published in the Federal Register on August 1, 2008 (Vol. 73, No. 149, Pages 45075 through 45076). No comments were received.

A.9 Payment of Gifts to Respondents

There are no special payments to respondents other than the formula funds and incentive funds provided for in the authorizing statutes.

A.10 Confidentiality Assurances

All data is aggregated and does not include any identifying information.

A.11 Additional Justification for Sensitive Questions

There are no sensitive questions included in the proposed data collection.

A.12 Estimates of the Burden of Data Collection

The annual national burden for the LERS has three components: (1) collecting and maintaining job seeker data; (2) collecting and maintaining job openings data; and (3) the quarterly summary report burden. This response provides a separate burden for each of the components.

Integral to the common measures is the interplay between state reporting systems for Wagner-Peyser Act funded public labor exchange activities and VETS funded labor exchange activities and the reporting systems of partner programs, as job seekers may be referred to other One-Stop partner programs for services. Thus, it is necessary to consider both the local and state level steps needed to collect data on labor exchange data. This interplay of multiple reporting systems adds a level of complexity to data collection and reporting functions.

(1). Job Seeker Data Collection Burden

The job seeker data collection burden of two minutes per record considers the amount of information collected and reported on the ETA 9002 A through D and VETS 200 A through C reports that would not have to be collected by the states as part of their customary and usual burden to run the program. Thus the burden reflects the information collected solely to comply with the federal reporting requirements. Thus, the data reflect both recordkeeping and reporting capacities. Five state systems were sampled to estimate the range of times for inputting these data per record, and this range was assessed over the past three years' experience in working with this automated system. The average was, and remains, at two minutes per record. By way of further explanation, the data collection burden varies by job seeker because it is based on the intensity of services provided and the number of elements applicable to the job seeker. For example, LERS requires the collection of several types of staff assisted service dates, if applicable. On the other hand, web based registrations and the use of wage records for measuring outcomes minimize the burden of data collection. The annual national count represents the latest available number of jobseekers reported in the LERS system.

Record Type	Minutes Per Record	Annual National Count	Annual National Burden Hours	Applicable Hourly Rate	Annual National Burden Dollars
Job seeker	2	14,767,334	492,244	\$39.17	\$19,281,197

Hourly rates used to calculate cost depend upon the type of organization administering the program. For purposes of these calculations, the hourly rate is the average hourly earnings for employees in state Unemployment Insurance (UI) agencies in FY 2009 (as used for FY 2009 UI budget formulation purposes).

(2). Job Openings Data Collection Burden

States must collect and maintain job openings data to prepare the 9002 E report. OMB previously approved an estimate for job order record keeping of one hour per state per quarter, and job openings reporting requirements remain unchanged in this ICR. For 54 states and territories, this equals 216 hours per year in national burden. At the \$39.17 hourly wage rate, the current hourly burden estimate calculates to \$8,461 per year.

Job openings record keeping and reporting	State record keeping and reporting burden	Number of Reporting States	Annual National Burden Hours	Applicable Hourly Rate	Annual National Burden Dollars
	1 hour per quarter	54	216 (4 x 1 hour x 54 states)	\$39.17	\$8,461 (54 states x \$39.17 per hour) x 4 (1 hour per quarter)

(3). Quarterly Report Burden

The LERS *quarterly report burden* includes the local and state level steps that are needed to collect and report information on labor exchange activities. These steps include, but are not limited to, extracting data from states' data systems for the public labor exchange and partner programs, aggregating data from separate reporting systems, formatting reports and transmitting the reports to the Department. Each quarter, each state submits a total of eight ETA 9002 and VETS 200 reports to ETA. This estimate acknowledges that a percentage of states use ETA provided software to generate the eight quarterly reports. The cost estimate averaged for each state is 640 hours, based on figures generated by LERS pre-submission calculations and verified with five state systems for accuracy since the last submission to OMB. Thus, the annual burden estimate for all states is approximately 527,020 hours, or 640 hours per state, as detailed in the following summary table and a separate table by form/activity. The estimated cost has been calculated using the hourly cost rate of \$39.17 for state staff.

Operating/Maintaining Burden Component	Annual National Burden in Hours	Annual National Burden in Dollars
1) Job seeker data collection	492,244	\$19,281,197
2) Job openings data collection	216	\$8,461
3) Quarterly Summary Report	34,563	\$1,353,715
Total	527,023	\$20,643,373

Form/Activity	Total Respondents	Frequency	Total Responses	Average Annual Hours Per Response	Total Annual Burden Hours
ETA 9002 A	54	Quarterly	216	345.56	74,641
ETA 9002 B	54	Quarterly	216	345.56	74,641
ETA 9002 C	54	Quarterly	216	345.56	74,641
ETA 9002 D	54	Quarterly	216	345.56	74,641
ETA 9002 E	54	Quarterly	216	21	4,536
VETS 200 A	54	Quarterly	216	345.56	74,641
VETS 200 B	54	Quarterly	216	345.56	74,641
VETS 200 C	54	Quarterly	216	345.56	74,641
Totals	54		1,728	304.99	527,023

Except the ETA 9002E, the average time per response for the ETA 9002 A, B, C, D, and VETS 200 A, B, and C forms is estimated at 345.56 hours. Any statistical differences related to the calculation of total annual burden hours for these forms are due to rounding at 346.

A.13 Estimated Cost to Respondents

The current LERS requirements have been in operation for several years and states have the necessary technology and data collection mechanisms in place to meet these approved reporting requirements. Therefore, the Department is not reporting any start-up/capital costs or annual operating costs as a part of this information collection request. The costs to maintain and disclose these data are covered by the state's existing grant funds.

A.14 Estimates of Annualized Costs to Federal Government

The annual costs of maintaining the LERS database, maintaining the quarterly reporting software, and developing technical assistance guides are borne by ETA and are estimated to be \$370,000.

Total annual costs to the federal government are thus estimated to be \$370,000.

A.15 Changes in Burden

The increased three burden hours are a result of rounding decimals to whole numbers.

A.16 Tabulation of Publication Plans and Time Schedules for the Project

States and territories will submit ETA 9002 A, B, C, D and E reports and VETS 200 A, B and C reports on a quarterly basis to DOL within 45 days after the end of each program year quarter. (Reports are due the following dates: November 14, February 14, May 15 and August 14.)

Quarterly report data are analyzed by ETA and VETS staff. Data analysis is used to identify strategies for continuous improvement and areas where additional federal guidance is needed. DOL uses this data to prepare Government Performance and Results Act reports, management and budget reports, and other ad hoc reports.

Each year, the Department issues an annual report summarizing program performance against the Secretary's goals. Some of the data included in the Department's annual report is generated from the ETA 9002 and VETS 200 reports. ETA also publishes an annual report solely on the Wagner-Peyser Act funded public labor exchange. To satisfy its requirements under Title 38, the Veterans' Employment and Training Service (VETS) publishes an annual report that focuses on services delivered by Disabled Veterans Outreach Program specialists and Local Veterans Employment Representatives. The Department annual report, ETA's WIA annual report, and VETS annual report are submitted to Congress. All reports are available on the Internet and accessible to the general public and interested stakeholders.

A.17 Approval Not to Display OMB Expiration Date

The expiration date for OMB approval will be displayed. We are not seeking approval to have this concealed.

A.18 Exceptions to the Certification Statement

There are no exceptions to the certification statement.

A.18 Exceptions to OMB Form 83-I

No exceptions are requested in the "Certification of Paperwork Reduction Act Submissions."

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection request does not contain statistical methods.