

**SUPPORTING STATEMENT FOR
PAPERWORK REDUCTION ACT SUBMISSIONS
(OMB No. 1205-0009, ETA Form 203)**

**Distribution of Characteristics of the Insured
Unemployed**

A. Justification

1. Circumstances that Make the Collection Necessary. The ETA 203, Distribution of Characteristics of the Insured Unemployed, is a once a month snapshot of the demographic composition of the claimant population. It is based in each state on the universe or a sample of those who file a claim in the week containing the 19th of the month, which reflects unemployment experienced during the week containing the 12th. This corresponds with the Current Population Survey sample week used by the Bureau of Labor Statistics (BLS). Aggregate data is collected on the items gender, race/ethnic group, age, industry, and occupation.

This report serves a variety of socio-economic needs at both the state and National offices because it provides the only demographic information on the insured unemployed. Among the needs served are promoting employment opportunities, improving utilization of manpower resources, evaluation of the unemployment insurance (UI) program and projecting workloads and budgets. These areas can be tracked not just nationally but on a state-by-state basis. Though always necessary, this report becomes particularly useful during economic downturns when interest in the composition of the insured unemployed is particularly high.

The Social Security Act, section 303(a) (6), authorizes this data collection.

2. Use of the Information. The information is collected by state agencies based on a universe or a sample of those filing claims in the week containing the 19th of the month. The data is used by the Department of Labor for actuarial estimating, research and general information. The information is also used by those outside the Department such as Congressional staff, Congressional Budget Office, Federal Reserve Banks, Office of Management and Budget, and university and private researchers such as AFL-CIO and Urban League. If this data collection were not conducted there

would be no information on the demographics of unemployment insurance claimants for any of the uses cited above.

3. Information Technology. This report is highly computerized in states and electronically submitted to the National Office. States are encouraged to use any automation that will make their job easier.
4. Duplication. There is no duplication. The Benefit Accuracy Measurement (BAM) program (1205-0245) receives information on the demographics of a sample of recipients of unemployment compensation. The ETA 203 report contains the demographics of the insured unemployed; some will become recipients and some will not. The insured unemployment rate is often compared to the total unemployment rate. Likewise, the demographics of the insured unemployed are often compared to the demographics of the total unemployed so that the BAM population is not appropriate.
5. Small Entities. The collection does not involve small business or other small entities.
6. Consequences of Not Collecting or Collecting Less Frequently. There is no other source of reliable demographic information on this population. One sample week in the quarter does not accurately reflect the quarter and gives fewer data points to track trends. Only one comparison in each quarter can be made to the BLS total unemployment data rather than three. This report is generally automated in state workforce agencies so there is little extra burden to report three times a quarter rather than just once.
7. 5 CFR 1320.5. The collection is consistent with 5 CFR 1320.5. except that monthly frequency is requested based on 6 above.
8. Publication in Federal Register and Other Consultation. In accordance with the Paperwork Reduction Act of 1995, the public was given an opportunity to review and comment through the Federal Register Process (Volume 73, Number 244, Page 77062 et seq, December 18, 2008). No comments were received.
9. Payment to Respondents. There are no payments made to respondents.

10. Confidentiality. The ETA 203 reports contain no personal or confidential data. The state level cross tabulations of the data collected does not allow for the identification of any specific individual claimant or business entity information.
11. Sensitive Question. There are no questions of a sensitive nature.
12. Burden Hours. The procedures for completing the ETA 203 varies with the individual state agency, however all states include this report as a part of their data processing operations. Based on previous experience and ad hoc conversations with SESA personnel, it is estimated that it takes state agencies an average of 20 minutes to run a retrieval program, review the results, and enter the results into the electronic transmittal system. For those states which choose to directly download the data machine to machine, it should be even faster.

53 respondents x .33 hrs/report x 12 reports/year = 212 hrs.

Based on budget allocations, a figure of \$30.44 was derived for the average hourly wage of state agency staff for fiscal year 2002. Using \$30.44, the total annual cost for the respondent having to do this collection is estimated to be \$6,453.28, computed as follows:

212 annual burden hours x \$30.44 per hour = \$6,453.28.

13. Burden Cost. None. This, and all other reporting for Unemployment Insurance, is paid for by the monies allocated to states for administration. There are no breakouts for specific reports. This is a well established report so there are no start up costs.
14. Federal Annualized Cost. The data will be received and stored on Department owned computer equipment along with all other Unemployment Insurance Reports data. The data is available for access by any staff member and programs for outputs are available. Staff and computer cost cannot readily be broken out for one report.
15. Change in Burden.

States are no longer asked to employ statistical methodologies, but the difference in burden is negligible.

16. Publication. Most data is given out or used in reports on a request basis.
17. Display of OMB Number. ETA displays the OMB control number and expiration date on the ETA 203 hard copy form. A menu option has been incorporated into the UI electronic reporting system which provides access to a complete listing of OMB approval numbers and current expiration dates for all required electronic reports, including the ETA 203. In addition, ETA will also disseminate OMB control number and expiration date information for this report through a UI program letter shortly after OMB action.
18. Certification Exceptions. There are no exceptions.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL
METHODOLOGY

This collection of information no longer employs statistical methodologies, and states are being notified of this change. States have been able to produce data suitable for submission of the ETA 203 report either by (1) summarizing all weeks claimed which are filed during the week containing the 19th of the month, or (2) taking a sample of weeks claimed from the week containing the 19th of the month and inflating the resulting numbers back up to the population level.

State UI systems operate with a high level of automation. The difficulties that arise in assuring statistically representative sampling and the possibility of additional error introduced through sampling are problems that are substantially greater than any potential benefit from sampling for the purposes of this report. In addition, sampling represents an additional step where states could easily compute summary statistics with the possibility of additional error.