

THE SUPPORTING STATEMENT

A. Justification

1. Circumstances Making the Collection of Information Necessary

On February 17, 2009, the President signed the American Recovery and Reinvestment Act of 2009 (Recovery Act), which establishes the Emergency Contingency Fund for State TANF Programs (Emergency Fund) as section 403(c) of the Social Security Act (the Act). This legislation provides up to \$5 billion to help States, Territories, and Tribes in fiscal year (FY) 2009 and FY 2010 that have an increase in assistance caseloads or in certain types of expenditures. The Recovery Act made additional changes to TANF – extending supplemental grants through FY 2010, expanding flexibility in the use of TANF funds carried over from one fiscal year to the next, and adding a hold-harmless provision to the caseload reduction credit for States and Territories serving more TANF families.

The Emergency Fund is intended to build upon and renew the principles of work and responsibility that underlie successful welfare reform initiatives. The Emergency Fund provides resources to States, Territories, and Tribes to support work and families during this difficult economic period.

Failure to collect this data would compromise ACF's ability to monitor caseload and expenditure data that must increase in order for jurisdictions to receive awards under the Emergency Fund.

Documentation maintenance on financial reporting for the Emergency Fund is governed by 45 CFR 92.20 and 45 CFR 92.42.

2. Purpose and Use of the Information Collection

As specified in statute, this funding will be provided to States, Territories, and Tribes (referred to collectively as “jurisdictions”) that report increased assistance spending along with increased caseloads or increases in expenditures on non-recurrent short term benefits or work subsidies. Jurisdictions must report FY 2007 and FY 2008 data for all categories in which they are applying for emergency funds as well as data for the requesting quarters in FY 2009 and/or FY 2010.

3. Use of Improved Information Technology and Burden Reduction

We have designed an information collection instrument in Microsoft Excel. Jurisdictions are urged to input the necessary data into the instrument and to submit electronically to save on burden time, paper and mailing expenses. We will also accept hard copy submissions of the Emergency Request Form.

4. Efforts to Identify Duplication and Use of Similar Information

Jurisdictions currently submit caseload and expenditure data for the same categories on their applicable quarterly TANF financial report, however, this data is not typically the actual dollar expenditures for jurisdictions for the quarter which is required for requesting emergency funds.

5. Impact on Small Businesses or Other Small Entities

This collection of information does not impact small businesses or other small entities. It will affect only jurisdictions that apply for emergency funds and has been held to the absolute minimum required for the intended uses.

6. Consequences of Collecting the Information Less Frequently

Jurisdictions will submit estimated caseloads and expenditures when applying for emergency funding. At the end of the fiscal year, they will be required to reconcile their submitted estimates with actual expenditure data, and we will review these figures to ensure the jurisdiction received the proper amount of funding. Jurisdictions are also required to report all expenditures of emergency funds after the end of each quarter, and these expenditure amounts will be reviewed at the end of each fiscal year. Quarterly submissions and reconciliations will help maintain the Emergency Fund at a more accurate level since initial quarter submissions may be estimated and jurisdictions may have estimated over-payment or under-payment on award amounts.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

This collection of information does not involve any special circumstances.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

This request is under emergency review and therefore Federal Register comments have not been received at this time.

We have consulted with several groups regarding this information collection and annual burden estimates. Some of the groups consulted include: the Center for Law and Social Policy (CLASP), the Center for Budget and Policy Priorities (CBPP), the National Congress of American Indians (NCAI), the American Public Human Services Association (APHSA), National Governors' Association (NGA), National Conference of State Legislatures (NCSL), the National Association of Counties (NACo), the National Association of Counties (NAC) as well as several States.

9. Explanation of Any Payment or Gift to Respondents

Emergency Fund grants are available to jurisdictions if they meet any of the following three conditions for a quarter during FY 2009 or FY 2010:

1. The jurisdiction's average monthly assistance caseload in the quarter is higher than its average monthly assistance caseload for the corresponding quarter of the Emergency Fund base year, and its expenditures for basic assistance in the quarter are higher than its

expenditures for such assistance in the corresponding quarter of the Emergency Fund base year.

2. The jurisdiction's expenditures for non-recurrent short-term benefits in the quarter are higher than its expenditures for such benefits in the corresponding quarter of the Emergency Fund base year.
3. The jurisdiction's expenditures for subsidized employment in the quarter are higher than such expenditures in the corresponding quarter of the Emergency Fund base year.

For each category above, a jurisdiction that qualifies may request 80 percent of the amount by which Federal TANF expenditures and qualified State expenditures (i.e., maintenance-of-effort (MOE)) in the quarter for which it is requesting emergency funds exceed such expenditures in the corresponding base-year quarter. Under the law, the Emergency Fund base year is the lesser of FY 2007 or FY 2008 for a category. In other words, for the first category it is the year with the lower average monthly assistance caseload; for the second, it is the year with the lower non-recurrent short-term benefit expenditures; for the third, it is the year with the lower subsidized employment expenditures. A jurisdiction may request emergency funds under any or all of the three categories.

The law imposes a cumulative cap on the amount of emergency funding that a jurisdiction can receive for the two-year period. Cumulative combined grants from the existing Contingency Fund (section 403(b)) and the Emergency Fund (section 403(c)) cannot exceed 50 percent of the jurisdiction's annual Federal TANF family assistance grant. For example, if a State's Federal TANF family assistance grant is \$100 million, the State could receive no more than \$50 million in funding from both the TANF Contingency Fund and the Emergency Fund combined during the two-year period. We have included a table (Attachment A) listing the maximum funding that each jurisdiction could receive from the Emergency Fund. Any State that receives contingency funds in FY 2009 or FY 2010 should subtract those contingency funds from the maximum listed in the table.

The statute also specifies that this new Emergency Fund is disregarded from the limitation on total payments to Territories in sections 1108(a) and (c) of the Act. This means that Puerto Rico, Guam, and the Virgin Islands may apply for and receive emergency funds if eligible, even if the Territory has reached its payment ceiling for that fiscal year.

10. Assurance of Confidentiality Provided to Respondents

This data collection does not constitute a Privacy Act System of Records and no assurance of confidentiality will be provided to respondents.

11. Justification for Sensitive Questions

This data collection does not contain any questions of a sensitive nature.

12. Estimates of Annualized Burden Hours and Costs

Annual Burden Estimates

Instrument	Number of Respondents	Number of Responses per Respondent	Average Burden Hours per Response	Total Burden Hours
Emergency Fund Request Form OFA-100	93	5	24	11,160

Estimated Total Annual Burden Hours: 11,160

There are 116 eligible jurisdictions (50 States, 3 Territories, 62 Tribes, and Washington DC), and we anticipate that 80 percent of eligible respondents will submit applications for an average of 93 respondents per year.

Respondents only need to submit quarterly data if they are applying for new funds or revising previous submissions. We do not expect all respondents to submit quarterly, so the number of responses per respondent is an overestimate. We anticipate that the submittal process will take 24 hours per respondent request per quarter. Respondents will also submit a preliminary and final reconciliation at the end of FY 2010. These reconciliations are estimated to take 24 hours each. Including reconciliation, respondents will average 5 responses per year for a total annual burden of 11,160 hours.

We estimate the annualized cost of the hour burden to be \$1,004,400. This is an overestimate since the electronic reporting will decrease paper and mailing expenses. It is based on an estimated average hourly cost of \$90 (including fringe benefits, overhead, and general and administrative costs) for the jurisdiction staff performing the work multiplied by the estimated 11,160 burden hours.

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

The following is an estimate of the annual cost burden to respondents or recordkeepers resulting from the collection of information. (The estimate does not include the cost of any hour burden shown in items 12 and 14 of this supporting statement).

For this information collection, we estimate there to be zero average annualized capital/start-up and operational and maintenance costs (CSO&M). We expect jurisdictions to already have this data as it is similar to data reported on their applicable quarterly TANF financial report. The data necessary for the Emergency Fund is actual expenditures instead of adjusted expenditures, so jurisdictions will likely need to adjust currently reported data, however should not need to design new data systems. The only costs would be those associated with the hour burden shown in items 12 and 14 of this supporting statement.

14. Annualized Cost to the Federal Government

This item does not reflect any of the costs shown in items 12 and 13 of this supporting statement. We estimate total annual federal burden to be 3,720 hours. This includes: Analysis of submitted

data and comparing it with existing financial and caseload data, reviewing analysis and discussing possible reasons for discrepancies (if any), discussing findings with regional office staff with responsibility for the jurisdiction, central and regional staff discussing data with the jurisdiction and resolving differences, recording final data, award amount, sending approval letter, and awarding funds, summarizing award action and conclusions from data analysis.

Based on an estimated average hourly federal salary of \$100 per hour (including fringe benefits, overhead, etc), the total estimated average annual Federal cost is \$372,000.

15. Explanation for Program Changes or Adjustments

Not applicable. This is a new collection.

16. Plans for Tabulation and Publication and Project Time Schedule

We plan to publish the available information in the first TANF Annual Report to Congress submitted after the first full year of the ARRA.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

Not applicable

18. Exceptions to Certification for Paperwork Reduction Act Submissions

Not applicable

B. Statistical Methods (used for collection of information employing statistical methods)

Not applicable