

SUPPORTING STATEMENT FOR
THE ETA 539, WEEKLY CLAIMS AND EXTENDED BENEFITS TRIGGER DATA
AND ETA 538, WEEKLY INITIAL AND CONTINUED WEEKS CLAIMED

A. Justification

1. Circumstances Necessitating the Collection. The Federal-State Extended Unemployment Compensation Act of 1970 and amendments provide for extended benefits to be paid to claimants exhausting regular benefits in a state if that state is experiencing high unemployment as measured by a thirteen week moving average of the insured unemployment rate. The ETA 539 report is the vehicle states use to report weekly insured unemployment and other information necessary to calculate the trigger rate. The head of the state agency shall notify the Secretary of Labor that a state is triggering "on" or "off" extended benefits. The Secretary shall then publish such notice in the Federal Register.

In addition, the Department of Labor publishes the number of initial claims for unemployment insurance and the number of continued weeks claimed for unemployment insurance. These two pieces of data are important economic indicators. Initial claims are a leading economic indicator and weeks claimed are a concurrent indicator. These data are used by other government agencies such as the Federal Reserve Board, the Council of Economic Advisors, the Bureau of Labor Statistics, the Office of Management and Budget, and the Department of Commerce as well as economists in the private sector. The data may also provide insight on state agency workload requirements and can be used in budget forecasting.

While only two of several labor market indicators, these claims take on added importance because they are weekly and because they are available so soon after the period of reference.

The ETA 538 report permits the Department to report national data five days after the week of reference. This data is released as an "advance" figure to the ETA 539 economic data. The ETA 539 is not as timely but it gives slightly more accurate figures nationally and figures valid for State data which the ETA 538 does not.

This collection is authorized by the Social Security Act, section 303(a)(6) and by PL 91-373, section 203.

2. How, by Whom, Frequency and Purpose of the Information. The data are used by the Office of Workforce Security to assure that the states perform Extended Benefits (EB) trigger calculations correctly and to monitor patterns of data to assure proper reporting. The Secretary of Labor may then certify that a state has begun or ended an extended benefit period. If this data were not collected, DOL would have to take the word of the states that data were correct at the time of certification with no way to check it. If data were not monitored, states could change trigger status when they should not, causing benefits to be paid when they should not and visa versa.

As indicated above, both initials and continued weeks are used by various agencies of the government to show the labor market conditions. These data are used as a predictor of the economy of the nation in general. If data were not collected on these weekly reports, then the only source would be a monthly report on which data is not available until about twenty days after the month of reference. This would not be timely enough to be predictive and there would be fewer data points to indicate trend.

The ETA 538 gives an advance figure quickly for publication of the key economic data while the ETA 539 gives a more refined economic picture of the US, detailed information by state, as well as providing, as its main purpose, data on the Extended Benefits trigger mechanism.

3. Information Technology. In compliance with the Government Paperwork Elimination Act, these reports are highly computerized. The reports are submitted over the Unemployment Insurance Required Reports (UIRR) electronic entry system which allows states to enter data on a computer in each state. The input screen will default such things as state name, report date, and week number, and in the case of the ETA 539, the covered employment figure which remains the same for 13 weeks at a time. A national office computer polls each state computer each night to pick up reports submitted. This electronic submission of the ETA 538 is the main reason the national data release time can be accelerated providing information on claims the fifth day after the week the data represents. The electronic system also contains edits and other features to assure the most accurate data possible.
4. Duplication. Weeks claimed and initial claims data are reported on the ETA 5159 (OMB 1205-0010), but that data is monthly and would not allow for as many data points for economic trend analysis nor for the required weekly tracking of Extended Benefits triggering data. The ETA 5159 data are not available until three weeks after the close of the reference month, which means it would not be timely for either triggering purposes or for predictive purposes. However, the monthly data is still required because it provides finer detail than the weekly data.

While closely related, the data on the ETA 538 differ from the ETA 539 figures. The ETA 539 includes intrastate and interstate agent counts, thus representing the insured unemployed residing in and therefore looking for work within the State reporting the data. The "weeks claimed" data reported on the ETA 538 does not include "agent weeks claimed." Rather, it includes "liable counts," which are available more quickly. However, the sum of the data reported on the ETA 538 should be equivalent to the sum of the data reported on the ETA 539.

The ETA 538 initial claims are the sum of initial claims received directly from claimants during the report period, whether that is as intrastate, liable or agent State. The ETA 539 initial claims represent intrastate and interstate agent claims. Because each is an unduplicated count, the US figure should remain essentially equivalent. Therefore, the ETA 538 can be used as an advance figure for the U.S. while the ETA 539 data reflects the claims by state of residency.

5. Small Business Involvement. The collection does not involve small business or other small entities.
6. Less Frequent Collection. If data were collected less frequently than weekly, we could not properly monitor the states calculation of trigger rates to assure it was being done properly and head off problems early. As it is, a state begins paying benefits in an extended benefit period just four days after we receive the report which tells us they have triggered "on". By monitoring the data all along, we can be confident that the triggering is proper. If we only have four days (two of which are a weekend) to receive backup materials, analyze trends and redo calculations, a state might begin paying benefits before we could confirm it was proper.

If data were collected less frequently than weekly, it would take on much less importance as an economic indicator and would not give as much lead time in its ability to project the direction of the economy.

7. 5 CFR 1320.5. See items 1. and 2. for explanation of need for weekly data.
8. Consultations.
As required by 5 CFR 1320.8(d), ETA solicited comments for sixty days on the proposed extension of approval for the ETA 204 through publication in the Federal Register on May 22, 2009 (Vol. 74, No. 93, p 24039). No comments were received.

This data collection has been in effect for a number of years. During this time, there have been numerous consultations regarding this issue among National Office Staff, State Agency Staff, and others (researchers, Governor's Offices, and legislative staff). There have been no major problems that have not been resolved.

9. Remuneration. There is no remuneration to respondents other than the usual payment to States to operate the program.
10. Confidentiality. There is no assurance of confidentiality **after** publication date. Data is embargoed until that time.
11. Sensitive Questions. There are no questions of a sensitive nature.
12. Burden. Annual burden hours are estimated at 3,675 per year for both reports. There is shared preparatory time which is reflected in the ETA 538 report here because it is submitted first.

ETA 538 53 states x 52 reports x 30 min. = 1,378 hours
ETA 539 53 states x 52 reports x 50 min. = 2,297 hours
3,675 hours

The data is a by-product of SWA's operation of the unemployment insurance system. The cost of assembling the reports is estimated to be \$115,946 per year. This estimate is arrived at by multiplying the annual burden hours by the FY 2003 average hourly wage for state workforce agency staff as follows:

3,675 hours x \$31.55 = \$115,946.

However, the federal government pays the salaries of the state staff, so there is no direct cost to the state.

13. Costs. There are no other costs involved other than mentioned in item 12.
14. Federal Annualized Costs. This data is submitted electronically by states and stored on a Department owned computer along with many other reports. There are no direct additional federal costs processing this report.
15. Changes in Burden. There is no change in burden.
16. Publication. The ETA 538 data are published as "advance" national figures in the weekly news release every Thursday. The news release also contains the state by state data and revised national data for each of the two weeks prior to the advance data from the ETA 539. The news release is also available to the public on the Department of Labor internet web site. The state-by-state figures and updated national figures, as well as EB triggering data, are also published the second Thursday after the week of filing in the "Weekly Unemployment Insurance Claims Report".

17. Display of Approval. ETA will display the OMB control number and expiration date on the ETA538 and ETA539 hard copy format and inform state workforce agencies of OMB approval via the issuance of a UI Program letter. In addition, a listing of current OMB control numbers and expiration dates are displayed within the UI required reports system.
18. Exception to Certification Statement. There are no exceptions.

B. Collections of Information Involving Statistical Methods

This collection does not involve statistical methods.