

Supporting Statement: Collecting Applications
For Unemployment Insurance (UI) Modernization Incentive Payments (1205-0470)

A. Justification.

A-1. Reasons for Data Collection.

On February 17, 2009, the President signed into law the Assistance for Unemployed Workers and Struggling Families Act. Section 2003 of this Act provides for unemployment insurance (UI) “modernization incentive payments” to be made from the Unemployment Trust Fund (UTF) to the states. The total amount available for all states is \$7 billion dollars. To obtain its share, the state must make an application to the Department of Labor demonstrating that its UI law contains certain benefit eligibility provisions. The last date on which an incentive distribution may be made is September 30, 2011. When applying for a share of the UI modernization incentive payments, a state must 1) document that the provisions of its law meet the requirements for obtaining an incentive payment and 2) describe how it intends to use any incentive payment to improve or strengthen its UI program.

A-2. Users, Purposes, and Consequences of Failure to Collect the Information.

The submissions are used only by Employment and Training Administration (ETA) staff charged with reviewing them. The submissions are used to make determinations about whether states qualify for the incentive payments. Failure to submit the collection would prevent the disbursement of monies to states and clearly contradict congressional intent.

A-3. Technology and Obstacles Affecting Reporting Burden.

There are no obstacles. States may use email, fax, couriers, U.S. Postal Service or a number of express delivery services to provide the correspondence.

A-4. Duplication.

There is no duplication.

A-5. Small Business.

This collection does not impact small businesses.

A- 6. Consequences of Less Frequent Data Collection.

This is a one time collection. Consequences of not performing the collection are described in number 2 above.

A-7. Special Circumstances Involved in Collection of Data.

There are no special circumstances.

A-8. Preclearance Notices and Responses.

A Federal Register Notice was published on March 2, 2009 (Vol. 74, p. 9108) concerning this collection that notified the public on how to access the documents in this information collection. The UIPL issued at that time provided a comprehensive explanation of the authorizing statutory language and the process for applying for the modernization grant. In addition, a pre-clearance notice for sixty days' public comment was published in the Federal Register on May 21, 2009 (Vol. 74, p 23886). No comments were received. Finally, a UIPL is being issued to specify the OMB control number assigned this information collection (1205-0470) and the current expiration date (November 30, 2009).

A-9. Payments to Respondents.

There are no payments to respondents.

A-10. Confidentiality.

No confidential information is collected.

A-11. Questions of a Sensitive Nature.

The data collection includes no questions of a sensitive nature.

A-12. Respondents' Burden and Cost of Collecting Information.

The burden on states for responding to this collection is estimated at 8 hours per state. In most cases, the application will come in the form of an email or letter. The time needed to assemble this correspondence involves referencing the appropriate cite in the state law and then drafting the message. States may elect to send two separate pieces of correspondence, one for the each source of funding, however, the total burden for all correspondence related to this collection should stay within 8 hours. Although it's very unlikely that all 53 states and jurisdictions will actually submit applications, to be conservative, we originally claimed burden for all 53 as a worst case scenario. At this point 17 states have provided applications. Since this is a one time collection without ongoing applications, there is now a maximum of 36 states that could submit requests for the grants. The burden in this application is accordingly lowered since a number of states can no longer be respondents to this collection.

Average estimates response time per state: 8 hours

Estimated responses: 36 states and jurisdictions.

Total Burden: 36 states x 8 hours x 1-time collection = 288 hours

A-13. Annual Cost to Respondents.

There are no annualized costs to respondents.

A-14. Annualized Federal Cost.

There are no annualized Federal costs.

A-15. Reasons for Change in Burden.

The burden has been reduced because 17 states have already submitted their applications. This is a one-time data request, so once a state has submitted its application, it may not do so again. As a result, the burden is decreased to from 424 to 288 hours to reflect the smaller universe of respondents. This is again a conservative estimate in that some states may choose not to access these modernization funds.

16. Publication Information.

Correspondence from states will not be published.

17. Display of OMB Expiration Date.

There is no form. Rather, states electing to request the funds will submit a letter or a simple email. Therefore the OMB expiration date will not be displayed.

18. Exceptions to the Certification Statement.

There are no exceptions to the certification statement.

B. Use of Statistical Methods

This collection does not employ statistical methods.