

**SUPPORTING STATEMENT FOR  
PAPERWORK REDUCTION ACT 1995 SUBMISSIONS  
Control Number - 1205-0371  
Work Opportunity Tax Credit Program**

**Justification**

**Q1: Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

A1: The Work Opportunity Tax Credit (WOTC) program was created by the Small Business Job Protection Act of 1996 (P.L. 104-188) and allows businesses to request tax credits for hiring hard-to-employ members of nine target groups. In 1997, Congress created the Welfare-to-Work Tax Credit (WtWTC). The WtWTC expired on December 2005 and its Long-term TANF Recipient group was made part of the WOTC in 2006 by P.L. 109-432. State workforce agencies (SWAs) process these requests. Other legislation that imposes requirements on the WOTC program include the Tax Relief and Health Care Act (P.L. 109-432) passed in 2006, the Small Business and Work Opportunity Tax Act (P.L. 110-28) passed in 2007, and the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). Since its enactment, this program has experienced a series of authorization lapses and retroactive reauthorizations by Congress.

On February 17, 2009, the American Recovery and Reinvestment Act (P.L. 111-5) (ARRA) was signed into law. This Act amended Section 51 of the Internal Revenue (IR) Code by creating two additional target groups, 1) Unemployed Veterans and 2) Disconnected Youth, who began work for an employer during 2009 and 2010. The legislative authority for these two target programs expired on December 31, 2010 without Congressional action to extend them beyond the expiration date. Consistent with Congressional past practice to extend the program on a retroactive basis, ETA issued Training and Employment Guidance Letter (TEGL) No. 1-11, dated July 13, 2011, instructing employers and their representatives to continue filing certification requests with the states during the authorization lapse. The SWAs were instructed to accept these requests and file them pending retroactive reauthorization or further ETA guidance. However, enough time has passed without Congressional activity extending these two groups. Therefore, the following changes to the WOTC program forms are now required: 1) removal of references to the two ARRA groups of existing forms, and 2) discontinuation of the Youth Self-Attestation Form, ETA Form 9154, which was used as verification of eligibility for the Disconnected Youth target group. ETA will also instruct the states that they no longer need to accept certification requests for these groups, and notify the business sector of these changes as well.

On November 21, 2011, President Obama signed into law the VOW to Hire Heroes Act of 2011 (VOW Act) (P.L. 112-56). Section 261, Returning Heroes and Wounded Warriors Work Opportunity Tax Credits, Title II, Subtitle D of P.L. 112-56 (the Act), amended Sections 51, 52 and 3111 of the Internal Revenue (IR) Code by extending and amending the "qualified veteran" target group and creating two unemployed veteran categories. The VOW Act also made the WOTC eligible, for the first time, to certain "tax-exempt" organizations hiring qualified veterans. The VOW Act did not expand any of the non-veteran remaining eight WOTC target groups and the authority for the non-veteran groups expired on December 31, 2011. The amendments and new provisions became effective for new hires beginning to work for an employer on or after November 22, 2011 and before

January 1, 2013. These provisions expire on December 31, 2012. The changes and new provisions in the VOW Act require minor changes to the WOTC program forms.

In addition, the authority for the Departments of Housing and Urban Development (HUD) and Agriculture (USDA) Empowerment Zones and Renewal Communities expired on December 31, 2009. On December 17, 2010, the Tax Relief Unemployment Insurance Reauthorization and Job Creation Act (P.L. 111-312) (the Act) was signed into law. This Act extended each HUD-designated urban Empowerment Zones (EZs) and each USDA-rural EZs for one year and the WOTC program for four additional months, both extensions through December 31, 2011. The Summer Youth's target group statutory definition requires the Youth to live in an EZ to qualify employers to claim the WOTC for new hires under this group. Therefore, expiration of the EZs eliminates the Summer Youth as a WOTC target group, and changes to the WOTC program forms are required to reflect this.

This submission includes five WOTC program forms as follows: 1) a reporting form (ETA 9058); two processing forms (ETA Forms 9061 (English and Spanish versions) and 9062; and two administrative forms (ETA Forms 9063 and 9065). As mentioned above, the Youth Self-Attestation Form, ETA Form 9154 is being discontinued and extension of this form is not included in this submission. ETA Form 9058 is used by SWAs to report to ETA information on processing of WOTC certification requests. ETA Form 9061 or 9062 is used by employers to request certification for their new hires together with the newly OMB approved January 2012, IRS Form 8850. The SWAs use the information on these two forms to verify target group eligibility and process the employer's requests. SWAs use ETA Form 9063 to issue the final certifications to eligible employers or their representatives and ETA Form 9065 in their administrative quarterly internal audits. The design and format of ETA Form 9063 and 9065 is optional for the states.

The data collected under this submission is necessary for effective federal administration of the WOTC program, including allowing ETA and the Internal Revenue Service to oversee state administration of the tax credit. Uniform program administration procedures and forms assure that businesses, especially multistate businesses that utilize the WOTC tax credit, receive consistent treatment from state to state regarding eligibility determinations and processing of their certification requests, and that the statutory rules for receipt of this tax credit requests are administered in a consistent manner by the SWAs.

The changes and new provisions introduced by the VOW to Hire Heroes Act (P.L. 112-56) OWI are incorporated in this request for extension with revisions. In addition, even though the WOTC program for non-veteran target groups expired on December 31, 2011, these categories are included because of the reasonable expectation that these groups will be reauthorized at some point based on prior legislative history and Congressional actions. During a hiatus, states are instructed to continue to receive and date-stamp certification requests, but not issue determinations, until a reauthorization. Those states with sufficient resources can process certification requests filed by employers, up to the point of reaching a determination but not issuing certifications or denials. This extension will ensure the integrity of the program, a friendly and easy application process for employers, and the continuation of state-provided uninterrupted program services to businesses that provide employment opportunities for economically disadvantaged target group members.

Because there is a statutory provision that requires employers or their representatives to file their requests for certification within 28 days after the employment-start date of the new hire(s), the extension of these categories is required to cover the work the states must

continue to perform beyond the expiration date. For example: (1) SWAs must continue to accept requests for certifications for up to 28 days after the expiration date. The eligibility and verification process may take the 90-day recommended period in the November 2002, Third Edition of ETA Handbook 408 (the Handbook) or longer; (2) SWAs will have to continue processing all existing backlogs; and 3) SWAs and Participating Agencies will continue to issue Conditional Certifications or pre-eligibility determinations (ETA Form 9062) to target group members during this period of time. A three-year extension allows for all three required activities to take place using the updated processing, administrative and reporting forms, and prevents OWI from having to seek emergency extensions.

**Citation of sections of laws that justify this information collection:** The WOTC statute is primarily codified at 26 U.S.C. §§ 51. The principal public laws affecting the WOTC program are cited in the first paragraph above.

Certifications' Testing Requirement and Authorization of Appropriations. The Omnibus Budget Reconciliation Act of 1990, P.L. 101-508, Section 11405(c), extended indefinitely the \$5 million set-aside (cited below) for testing whether individuals certified as members of WOTC targeted groups are eligible for certification. As long as there is a WOTC appropriation, this requirement continues in force.

Section 261(f)(2) of P.L. 97-34 (the Economic Recovery Act of 1981), as amended by P.L. 97-248, section 233(e), P.L. 98-369, section 1041(b), and P.L. 99-514, section 1701(d) provide that: "There is authorized to be appropriated for fiscal years 1982 the sum of \$30,000,000, and for fiscal years 1983, 1984, 1985, 1986, 1987 and 1988 such sums as may be necessary, to carry out the functions described by the amendments made by paragraph (1) [amending subsections (d) (14) and (g) of this section], except that, of the amounts appropriated pursuant to this paragraph"--

"(A) \$5,000,000, shall be used to test whether individuals certified as members of targeted groups under Section 51 of such Code [the Internal Revenue Code] are eligible for such certification (including the use of statistical sampling techniques), and (B) the remainder shall be distributed under performance standards prescribed by the Secretary of Labor."

In brief, the processing and reporting forms were designed to collect the necessary program data to evaluate program performance and outcomes and in this way comply with the above mentioned requirements and facilitate the work of the Secretary of Labor, including tracking program accountability and integrity. These forms also support submission of data to the IRS and the Department of Treasury for budget and revenue estimates.

**Justification for collection of Social Security Numbers (SSNs):** In the past, OMB has asked for a justification for the SWAs to collect SSNs. ETA WOTC forms require SSNs (specifically, ETA Form 9061 and 9062) in order to accurately match each ETA 9061 or 9062 with IRS Form 8850 filed by employers requesting certification under the WOTC. This match is required so the SWAs can begin the eligibility verification and processing activities before they approve or deny a certification request. IRS Form 8850 is a statutorily mandated form. IRS has decided that the SSN is necessary and has informed the public via the agency's bulletins, rules, and regulations about the need for the SSN. Since this is a tax related program, and DOL (through ETA), and Treasury (through the IRS) jointly administer the program, the agencies have jointly agreed on this and many other program requirements that ensure the WOTC program's smooth and uninterrupted operation.

**Q2: Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

A2: The program data collected by the SWAs will be provided to ETA's Office of Workforce Investment, Washington, D.C. through the quarterly electronic submission of ETA Form 9058 (after certification by the appropriate ETA regional office) via the web-based Tax Credit Reporting System (TCRS) of the Enterprise Business Services System (EBSS). The data reported to EBSS will be used for program management and outcome reporting, including monitoring through desk audits and onsite oversight visits as required, and the identification of technical assistance needs and training requirements. The data is also used in the annual administration and Congressional budget justification.

### **Overview and Description of Revisions to WOTC Reporting, Processing and Administrative Forms:**

**Overview.** States are required to use, without modification, three of the current five required WOTC reporting, administrative and processing forms (i.e., ETA Form 9058, 9061 and 9062). SWAs are free to design their own formats for the "Employer Certification" form (ETA Form 9063) and "Verification Results" form (ETA Form 9065) so long as they include all the information required in the optional forms.

ETA Forms 9061, 9062, and 9063 are used by employers and SWAs. These forms are critical for the operation of the WOTC program. Forms 9061 or 9062 is used by employers to submit certification requests (together with IRS Form 8850) to the SWAs, and contains all the information the SWAs need to process those requests consistent with statutory requirements and to ensure the program's integrity. Form 9063 is the form SWAs use to issue to employers or their representatives upon a positive target group eligibility determination. If audited, employers are to provide this Certification to the IRS. Finally, ETA Form 9065 is an internal worksheet SWAs use for the results of their quarterly internal audits. All employers and third parties serving under contract as an employer's representative, for purposes of the employer's participation in the WOTC program, are required to use the January 2012, OMB cleared IRS Form 8850, as modified pursuant to IRS Notice 2012-13, to request certifications from the SWAs.

All SWAs and participating agencies to which SWAs have delegated responsibility for issuing Conditional Certifications are required to use the "Conditional Certification" form (ETA Form 9062) without modification for pre-certifications of certain groups only. Revisions to the reporting, processing and administrative forms with updates to reflect the amendments and the new provisions of the *VOW to Hire Heroes Act of 2011* are described in detail in the following paragraphs. All forms have the April 30, 2012 date, the recent expiration date granted by OMB to OWI/ETA; the revision date on the bottom of each form has been changed to "February 2012"; and the reference to "Division of Adult Services" in the Paperwork Reduction Act paragraph was removed and replaced with "Division of National Programs, Tools and Technical Assistance", the new name of the division responsible for the WOTC program.

***IRS Form 8850, Pre-Screening Notice and Certification Request for the Work Opportunity Tax Credit***, and its instructions have been updated by IRS to reflect the provisions introduced by the Vow Act. The updated Form 8850 was approved by OMB in January 2012 and has

been released by IRS. The revisions to the ETA forms are consistent with IRS changes to its January 2012 Form 8850.

**Note.** The PSN/CR (IRS Form 8850) may be mailed, filed electronically with electronic signatures or faxed to accepting SWAs, according to IRS Announcement 2012-13, “Part III – Administrative, Procedural and Miscellaneous, Sec. 51 – Work Opportunity Tax Credit; Sec. 52 – Special Rules; Sec. 3111(e) – Credit for Employment of Qualified Veterans,” dated February 9, 2012 (copy attached).

***ETA Form 9058 – Report 1, Certification Workload and Characteristic of Certified Individuals.*** ETA revised *Form 9058, Certification Workload and Characteristics of Certified Individuals, Report 1* and its instructions as follows:

To distinguish among the amended veteran group and the newly introduced veteran categories and be able to determine the number of certifications issued by the SWAs on a quarterly basis, the 1996 alpha legislative (and IR Code, Sec. 51) classification “B” for the amended “qualified veteran” group and new categories followed by alpha-numeric identifiers were added to veteran Boxes No. 2a through 2e as follows:

- o Box B2a. Added (V) after veteran receiving SNAP benefits,
- o Box B2b. Added (DV) After “Disabled Veteran,”
- o Added Box B2c. and titled it “DV unemployed for 6 mos.,”
- o Added Box B2d. and titled it “V unemployed for 4 weeks.,”
- o Added Box B2e. and titled it “V unemployed for 6 months”

Box 6. Summer Youth was deleted, reflecting the expiration of legislative authority for Empowerment Zones.

Box 8. Unemployed Veteran and Box 9 Disconnected Youth, the two expired ARRA target groups, were deleted.

The rest of the target groups Boxes 3 through 12 were renumbered as follows:

- o Boxes 5a. and 5b. remain as Voc. Rehab Referral and Ticket Holder respectively.
- o Box 6. became SNAP Recipient,
- o Box 7. became SSI Recipient,
- o Box 8. became Long-Term TANF,
- o Box 9. became TOTAL (For QTR.), and
- o Box 10. became TOTAL (YTD)

Changes were also made to the instructions for ETA Form 9058 to reflect these updates. SWAs must accept the type of documentation indicated in the revised instructions to these forms and TEGL XX-XX (forthcoming), dated February XX, 2012, and may not require additional documentation from employees, employers and/or representatives that sets a higher standard of proof of eligibility.

***ETA Form 9061, Individual Characteristics Form and its Instructions*** were revised as follows: 1) Providing the appropriate documentary evidence required for the new unemployed veteran group’s eligibility determination; 2) Adding questions to Boxes 20 and 21 that identify unemployed veterans; 3) Removing reference to Empowerment Zone in Box

18, reflecting that Summer Youth is no longer a target group due to expiration of the EZs on December 31, 2011; 4) Deleting instructions for the two expired ARRA groups in Boxes 20 and 21; and 5) Adding a new form of documentary evidence for Box 13 for service-disconnected disability, reflecting the discontinuation of a form letter once issued by Department of Veteran Affairs.

***ETA Form 9062, Conditional Certification, and its Instructions*** were revised as follows: 1) A sentence announcing IRS's filing Relief Period for employers was added to the top box of the form; 2) Box 11 was not removed pending a potential extension of the program by Congress; 3) former target group references were deleted and all extended and new veteran categories were added to Box 13 (formerly Box 13a); 4) all references to the two expired ARRA groups were removed from Box 13b, and this Box will be eliminated; 5) the "Note to Employer" was updated by adding a sentence explaining IRS's updated filing date requirements, the beginning and end of the Relief Period and information when the Relief Period date ends and the "28-day timely filing" after employment-start date requirement begins; 6) Part II. EMPLOYER DECLARATION," Sec. 52 was added to the message to the SWAs; and 7) all Boxes beginning with Box 13.b will be renumbered to reflect all final box changes. The revised instructions indicate that all certifications for the veteran categories are preceded by the original veteran's target group 1996 statutory designation letter "B." Participating Agencies and SWAs will check the category that has been determined eligible and pre-certify eligible requests accordingly.

***ETA Form 9063, Employer Certification, and its Instructions*** were revised by 1) deleting all references to the two expired ARRA groups in Box 12; 2) replacing them with the extended and new veteran categories in the same Box 12; and 3) updating the information under Part C. "CERTIFICATION. Comments to Employers" to reflect all VOW Act changes and new Veteran provisions. The revised instructions indicate that all certifications for the veteran categories are preceded by the original veteran target group statutory designation letter "B" followed by alpha-numeric identifiers, matching the changes in ETA Form 9058 – Report 1, to help the SWAs differentiate among the different veteran categories certified and facilitate reporting and communication between SWAs and employers or their representatives. SWAs will check the veteran category that has been determined eligible and certified in Box 12.

***ETA Form 9065, Agency Declaration of Verification Results – Work Opportunity Tax Credit*** now "Audit Summary Worksheet" is an optional ETA form for internal SWAs' use in recording the results of verification activities conducted by the SWA. This form does not require revisions at this time (besides updating the expiration and revision dates and changing the name of the OWI division, as mentioned above). This is no longer a required form to be submitted to ETA. The form's design and format is optional and states can change both the design and/or format. If the SWA elects to use an alternative form to record verification results, the alternative form must contain ALL of the information that appears in the optional ETA form.

***ETA Form 9154, Youth Self-Attestation Form***, is being discontinued. This form was used to verify eligibility for the ARRA Disconnected Youth target group. As this group expired on December 31, 2010, the form is no longer needed.

**Q3: Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of**

**responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.**

**A3: Automation of Quarterly Reporting ETA Form 9058:** Since 2002, ETA has encouraged automation of the states' eligibility determination, verification and certification processes specifically to those states with sufficient resources. That same year, ETA launched the national electronic and Internet-based Tax Credit Reporting System (TCRS) that allows the SWAs to file their WOTC quarterly reports electronically to ETA's EBSS.

The success of the TCRS, together with the efforts of SWAs that have either fully or partially automated the processing of administrative forms and certification requests, has significantly reduced burden hours. A portion of the reduction has resulted from some states implementing processes to allow businesses and their consultants to transmit data elements of IRS Form 8850 electronically to the states for processing. This reduces the burden of data entry and processing on those states. To obtain the data needed to establish the estimated burden estimate, this office asked three very active high volume states (California, Tennessee, and Texas) to provide information related to the reduction in burden hours.

**Automation of Processing IRS Form 8850, ETA Forms 9061, 9062, 9063 and 9065:**

In tandem with the readily visible and tangible benefits of the EBSS/TCRS, many SWAs utilize some type of automated system to support their WOTC verification and certification processes. Some states have adopted software programs developed by private sector consulting firms. For example, some states permit electronic filing of ETA Form 9061, Individual Characteristics Form (ICF) via fax or e-mail as a PDF file. When filed electronically, employers and contractors are encouraged to take steps that enable the ICF to be matched with IRS Form 8850 and supporting documentation if the documentation is not transmitted simultaneously by electronic means. Other states are still processing and issuing certifications manually due to lack of funds.

**Q4: Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

A4: This information is not duplicated in any other system or available source. The information is not available anywhere else.

**Q5: If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.**

A5: In general, the burden on businesses is limited. This information collection does not have a significant impact on small, medium or large businesses/entities. The burden has been minimized to the extent possible, as described in the response to Question 1. SWAs process all administrative and reporting forms. Employers (or their representatives/consultants) and job seekers complete only two forms, IRS Form 8850 and ETA Forms 9061 or 9062, and submit them to the states for processing. Also, on February 9, 2012, IRS issued Notice 2012-13 granting employers the authorization either to file an electronically signed IRS Form 8850 electronically or to fax a copy of a paper or e-signed IRS 8850. These filing modes further reduce the filing burden to the SWAs, employers and their representatives.

**Q6: Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

A6: If the reporting system and administrative forms were not available, the work of the SWAs and ETA would be more costly and require greater staff involvement. Program oversight would require greater and more frequent on-site review-visits to oversee WOTC program operations and to acquire program data. (More frequent on-site reviews are not feasible due to budget limitations.) DOL assesses the SWAs' program outcomes and other local participating organizations' performance through periodic onsite reviews and/or desk-audits and analyses of the quarterly reports. DOL also provides program data to the Department of Treasury and the IRS so that those agencies can develop reports and studies on whether the tax credit program is "tax-revenue neutral." Data is also provided to businesses and employer groups that use the program data to evaluate the success of the tax credits' program. In addition, each year the data from the most recent and complete fiscal year is used in the funding formula to allocate funds to the states for program administration.

**Q7: Explain any special circumstances that would cause an information collection to be conducted in a manner:**

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

A7: Information is not collected for WOTC in any of the manners outlined in the bullets above. Federal regulations at 5 CFR 1320.5 are adhered to, including a 3-year retention requirement (for SWAs and Participating agencies) of supporting documentation and



certification request forms for certifications issued and one-year retention for denials issued, as required by the IRS in case of employer lawsuits. Employers are to adhere to IRS's retention requirements for taxpayers.

**Q8: If applicable, provide a copy and identify the data and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.5, soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments.**

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

A8: A Federal Register notice was published on September 9, 2011 (Vol. 76, p. 55946), in compliance with 5 CFR 1320.5, granting the public a 60-day opportunity to comment on this submission. No comments were submitted.

**Q9: Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

A9: There is no payment to respondents.

**Q10: Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

A10: ETA Form 9061 has a disclosure of information paragraph (p. 3 of the form) for the applicant to tear off and keep in his/her files or to give to family members: **Privacy Act Statement:** *The Internal Revenue Code of 1986, Section 51, as amended and its enacting legislation, P.L. 104-188, specify that the State Workforce Agencies are the "designated" agencies responsible for administering the WOTC certification procedures of this program. The information you have provided completing this form will be disclosed by your employer to the State Workforce Agency. Provision of this information is voluntary. However, the information is required for your employer to receive the federal tax credit. IF THE INFORMATION YOU PROVIDE IS ABOUT A MEMBER OF YOUR FAMILY, YOU SHOULD PROVIDE HIM/HER A COPY OF THIS NOTICE.*

Each form also provides information on disclosure of information.

**Q11: Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

A11. No questions of a sensitive nature are contained on any form.

**Q12: Provide estimates of the hour burden of the data collection. The statement should:**

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying, using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

**Burden Hours:**

REQUIREMENT	TOTAL RESPONDENTS	FREQUENCY	ANNUAL RESPONSES	AVERAGE RESPONSE TIME (Hrs)	ANNUAL BURDEN HOURS
Form 9058*	52	Quarterly	208	1.00	208
/Jobseekers Complete Form 9061	990,000	On Occasion	990,000	.33	326,700
States Process Form 9061*	52	On Occasion	990,000	.33	326,700
Form 9062*	52	On Occasion	52	.33	17
Form 9063*	52	On Occasion	440,000	.33	145,200
Form 9065*	52	Quarterly	208	1.00	208
Record Keeping*	52	Annually		931	48,412
Unduplicated Totals	990,052	////////////////////	2,420,624	////////////////////////////////////	847,445

Total State Burden Hours: 520,745<sup>1</sup>

Total Employers/Jobseekers' Burden Hours: 326,700<sup>2</sup>

1. The state burden hours (520,745) are derived by adding the total burden hours for the quarterly reporting workload (ETA Form 9058); processing of ETA Forms 9061 and 9062; issuing certifications, (9063); conducting internal quarterly audits (ETA form 9065); and record keeping (indicated by asterisks) for the 52 states and jurisdictions.

2 The jobseekers' hours (326,700) are obtained by estimating the time spent in completing 990,000 ETA Form 9061 or 9162 at \$7.25 per hour (minimum wage) for a total of \$2,368,575.

The estimated burden dollar cost for the 520,745 hours x \$32.50 (Estimate for Professional Worker) = \$16,924,212. (Source: State Hourly Wage Rate obtained from information at Bureau of Labor and Statistics: 2010 National Compensation Survey – Occupational Earnings in the United States, “Table 1, Summary: Mean hourly earnings and weekly for selected [State and Local] workers and establishment characteristics,” May 2011, Bulletin 2753).

**Q13: Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

**The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**

**If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**

**Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

A13: Total Burden Cost (capital/startup): 0. Total Burden Cost (operating/maintaining): 0

**Q14: Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

A14: Estimates for the burden cost for the collection of data by Federal staff were based on Office of Personnel Managements Federal Salary Chart (*Annual Rates by Grade and Step*), Effective January 2012, (Frozen at 2010 Levels) as follows:

One Federal staff annual salary (GS-13)	\$112,774.00
Divided by annual hours (26 x 80 hours = 2,080 yields the following hourly rate):	\$ <u>54.21</u> /hr

multiplied by 25% annual time spent reviewing  
data collected electronically =  $(2080 \times \$54.21 \times 25\%) =$  \$28,189.20

**Q15: Explain the reasons for any program changes or adjustments to reporting in Items 13 or 14 of the OMB Form 83-I.**

A15: Changes in ROCIS calculations include removal of burden hours associated with WOTC state plans' requirements. ETA previously required the annual submission of a state plan as a condition for states to receive WOTC funding. However, ETA ended this requirement several years ago and replaced it with a statement of work for the use of WOTC funds by the states. This statement of work is developed by ETA and states do not incur burden hours. In addition, ETA is discontinuing the Youth Self-Attestation Form, ETA Form 9154. This form was used for the ARRA Disconnected Youth WOTC target group, which expired on December 31, 2010.

**Q16: For collections of information whose results will be published, outline plans for tabulation, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

A16: Publication of information is not part of the request and is not planned.

**Q17: If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

A17: ETA will display the OMB expiration date on the reporting forms.

**Q18: Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submission," of OMB 83-I.**

A18: There are no exceptions.