

## SUPPORTING STATEMENT

### State and Local White Collar Crime Program 2014

The Bureau of Justice Statistics (BJS) proposes to implement the State and Local White Collar Crime Program (SLWCCP). In this program, data on criminal and civil violations handled by state Attorneys General will be collected, along with information on interagency cooperation and training related to white collar offenses. The SLWCCP is the first BJS collection to examine state government handling of criminal and civil white collar offenses.

BJS is currently collecting information on the federal response to white collar offenses through the Federal White Collar Violations Statistical Series (FWCVSS). This program is assessing the feasibility of integrating federal criminal, civil, and regulatory data on white collar violations with BJS's Federal Justice Statistics Program. At the local level, the 2014 National Survey of Prosecutors (NSP) contains a section of questions asking local prosecutors about their white collar criminal cases, and parallels questions asked on the state Attorney General survey of SLWCCP. The NSP will provide the local government complement the SLWCCP and FWCVSS.

#### A. Justification

##### 1. Necessity of Information Collection

Violations of criminal and civil law by employees of a company to advance personal or corporate interests cause a variety of social harm.<sup>1</sup> White collar offenses cost the public billions a year through higher prices and taxes. Some estimates have put the cost of just one such crime, the Libor scandal, at \$176 billion.<sup>2</sup> Various types of mortgage and investment banking fraud were found to contribute significantly to the 2008 financial crisis and the subsequent downturn in the economy.<sup>3</sup> Aside from financial costs, the violation of worker and consumer safety laws to save money cause death through hazardous products and working conditions.

The penalties imposed on perpetrators of these offenses has been a subject of debate.<sup>4</sup> The growing awareness of the enormous harm imposed on individual victims and to society overall has increased calls for greater punishment. However, the investigation and punishment of white collar offenses face unique difficulties.<sup>5</sup> Proving criminal intent in a large organization may be problematic, as the accused can often claim to have no knowledge of events in segments of the

<sup>1</sup> The definition of white collar crime has been the subject of extensive debate over many decades. For this project, two expert panels developed a definition that was believed to most encapsulate their understanding and the public's understanding of white collar crime. All three projects--the SLWCCP, the FWCVSS, and the NSP—use the same definition of a white collar offense to ensure comparability across the collections.

<sup>2</sup> Geiger, Keri. "Calculating the cost of the Libor scandal to investors." *Business Week*. June 27, 2013. <http://www.businessweek.com/articles/2013-06-27/calculating-the-cost-of-the-libor-scandal-to-investors>

<sup>3</sup> Piskorski, Tomasz, Amit Seru, and James Witkin. "Asset quality misrepresentation by financial intermediaries: evidence from RMBS market." Columbia Business School Research Paper, February 12, 2013. [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2215422](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2215422)

<sup>4</sup> Cohn, Scott. "DOJ official says groundwork laid for more white-collar crime enforcement." *CNBC*. March 5, 2014. <http://www.cnbc.com/id/101465409#>.

company. Also, these types of cases often require in-depth technical knowledge of a particular field, which can hinder both investigation and prosecution.

Aside from the difficulties in proving an offense occurred and that a specific offender was guilty of the offense, authorities may be reluctant to prosecute an employee or the corporation itself as the damage done to the company may harm innocent employees, their families, and the community as a whole. The phrase “too big to fail” and its related “too big to jail” complement are components of this thinking: even if a financial institution or other corporation has committed serious criminal wrongdoing, the size of the firm may discourage authorities from prosecution, due to the possible threat to the U.S. or global economy. As Attorney General Eric Holder noted regarding the problems of prosecuting large companies, “when we are hit with indications that if you do prosecute—if you do bring a criminal charge—it will have a negative impact on the national economy, perhaps even the world economy. I think that is a function of the fact that some of these institutions have become too large.”<sup>6</sup>

These aspects of white collar offenses make data collection especially difficult. Given the complex, hidden, and technical nature of many of these offenses, discovery and enforcement of legislation against white collar offenses is often more difficult than it is for traditional street crime. Unlike crimes such as murder, robbery, and burglary, victims of white collar offenses very often are not aware they are victims, and as such cannot report their victimization on surveys.<sup>7</sup> Law enforcement and court data record offenses known to them, and while these agencies may be aware of offenses unknown to victims, current administrative data systems and surveys often code offenses by statute or offense type, such as theft.<sup>8</sup> If other details of the offense are not available in the data, a white collar theft cannot be distinguished from other thefts. Also, as noted above, agencies seeking to sanction companies and their employees for violations may face obstacles not encountered in the prosecution of other crimes.

In summary, given the impact white collar offenses have on individual victims and society as a whole, data are needed to address the following types of questions:

- How many white collar offenses are there? How many offenders are there? How are they handled by the justice system-how many civil, criminal, and regulatory cases are there?
- What types of white collar offenses are committed? How is each type processed through the justice system?

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<sup>5</sup> Iwata, Edward. “White collar crime cases prove difficult to prosecute.” *USA Today* June 28, 2005. [http://usatoday30.usatoday.com/money/industries/health/2005-06-28-white-collar-usat\\_x.htm](http://usatoday30.usatoday.com/money/industries/health/2005-06-28-white-collar-usat_x.htm)

<sup>6</sup> Delamaide, Darrell. “Holder admits megabanks are ‘too big to jail’.” *Marketwatch*. March 7, 2013. [http://www.marketwatch.com/story/holder-admits-mega-banks-are-too-big-to-jail-2013-03-07?link=MW\\_story\\_latest\\_news](http://www.marketwatch.com/story/holder-admits-mega-banks-are-too-big-to-jail-2013-03-07?link=MW_story_latest_news)

<sup>7</sup> This is the inverse of traditional “street” crime, where the victim knows he or she was victimized but chooses not to report to authorities.

<sup>8</sup>

- How are offenders punished? Are these sanctions criminal, civil, and/or regulatory in nature? Are companies or individuals punished?
- How do federal, state, and local authorities interact with each other?

For the reasons noted above, current BJS collections are unable to provide information on the nature of white collar offenses or the processing of white collar offenses through the justice system.

Recognizing the need for comprehensive data at the federal, state, and local level, BJS has implemented new collections and modifications to existing collections to capture data on white collar crime. Data on white collar criminal offenses will be obtained at the federal, state, and local levels. As many white collar offenses are handled through the civil justice system, BJS will obtain civil data at the state and federal level.<sup>9</sup> These data will be used to begin to build the infrastructure necessary to produce meaningful statistics on white collar offenses.

Under Title 42, United State Code, Section 3732 (see Attachment 1), BJS is directed to collect and analyze statistical information concerning the operation of both the criminal and civil justice system at the federal, state, and local levels. According to 42 U.S.C. 3735 Section 304, the information gathered in this data collection will be used only for statistical or research purposes, and will be gathered in a manner that precludes their use for law enforcement or any purpose relating to a particular individual other than statistical or research purposes.

## 2. Needs and Uses

### *BJS Needs and Uses*

The SLWCCP is one component of BJS's efforts to collect comprehensive information on white collar offenses at the federal, state, and local levels. The financial crisis of 2008 brought attention to banking and mortgage fraud, while other environmental, worker safety, and Medicare/Medicaid scandals have drawn attention to other forms of white collar crime. In response, DOJ and other federal agencies have created task forces and partnerships with state and local governments to address these issues. For example, on November 17, 2009, the President created the Financial Fraud Enforcement Task Force (FFETF). This task force was created to bolster DOJ's efforts to investigate and prosecute significant financial crimes, recover damages, and ensure just and effective punishment. To further the goals of this task force, DOJ has partnered with the National Association of Attorneys General (NAAG), which is the membership organization of all state and territory Attorney General (AG) offices, and the National District Attorneys Association (NDAA). The FFETF furthers the work of another federal-state partnership, the State-Federal State Task Force on Mortgage Enforcement.

DOJ also works with the state Attorneys General and other partners to provide training to combat other crimes that can encompass white collar crime. Funding is provided by DOJ, generally through the Bureau of Justice Assistance in the Office of Justice Programs, to train law enforcement and state AG offices about intellectual property theft, cybercrime, Medicare and Medicaid fraud, and environmental crime. Other examples of federal efforts to combat white collar crime include the Health Care Fraud Prevention and Enforcement Action Team (HEAT)

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<sup>9</sup> BJS is also exploring the feasibility of obtaining regulatory data.

headed by DOJ and HHS, and the IRS' Law Enforcement Assistance Program, which focuses on preventing and prosecuting identity theft and tax fraud. Both of these efforts partner with state and local agencies to achieve their missions.

DOJ prosecutes federal criminal white collar offenses resulting from these efforts and BJS's Federal Justice Statistics Program (FJSP) contains these cases. However, as noted earlier, they cannot be readily identified as white collar crime cases. As stated in an Office of the Inspector General (OIG) audit examining DOJ's efforts to address mortgage fraud, data in the Executive Office for United States Attorneys' (EOUSA) case management system, which contributes to the FJSP, do not allow for the production of complete or reliable statistics related to mortgage fraud cases.<sup>10</sup> This problem is a greater problem for white collar crime, as the definition of white collar crime adds further nuances not always captured in case management systems. The FJSP captures civil information, but those data are problematic for the same reasons as the criminal collection.

While BJS currently has a federal program capturing some limited information, the data at the state and local level related to white collar offenses are currently nonexistent. BJS's National Judicial Reporting Program (NJRP) is currently being redesigned. Once this is complete, it will collect felony criminal cases in state courts. Future iterations of the NJRP may incorporate methods to capture white collar offenses, however this will only capture information on criminal cases. Many enforcement activities related to white collar offenses are civil in nature, which are not included in the NJRP. The NJRP will also not contain information on the complexity of cases such as cooperation with other agencies, which is a component of enforcement actions against large, complex, serious white collar offenses.

State AG offices represent the states' response to white collar offenses. They are an important component of the investigation and handling of these cases. They are often partners with the federal government on task forces and in the criminal prosecution and civil handling of these matters. State AG offices often process complex, major cases that cause substantial harm that require coordination with other agencies.

Part of BJS's mandate is to collect comprehensive criminal and civil data on the processing of offenses through federal and state courts. To adequately measure the nature of government handling of white collar offenses, data must be collected at all levels of government and in both the criminal and civil fields. BJS consulted extensively with federal, state, and local government officials in law enforcement, regulatory, and state AG offices and academic researchers to determine the most important topics and data needs. Discussions identified several needs to which the SLWCCP data collection is responding:

- The need for comprehensive, national statistics on the federal, state, and local handling of criminal and civil white collar offenses;
- The types of white collar offenses handled by federal, state, and local authorities;
- The types of suspected offenders (business vs. individuals) handled by federal, state, and local authorities;
- The coordination between levels of government on white collar offenses;
- The punishment of white collar offenders.

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<sup>10</sup> Audit Division, Office of the Inspector General, Department of Justice. *Audit of the Department of Justice's Efforts to Address Mortgage Fraud*. March 2014. <http://www.justice.gov/oig/reports/2014/a1412.pdf>

To address these data needs, the data collection instrument for the SLWCCP contains the following sets of questions:

Criminal prosecutions:

- *Number of criminal prosecutions:* BJS will obtain information on the number of white collar crimes prosecuted in 2014 by each state AG office. BJS will use this question to describe which state AG offices prosecute criminal white collar offenses and how many criminal white collar offenses they prosecute.
- *Types of criminal prosecutions:* The survey asks if the state AG office criminally prosecuted any of the types of white collar crimes identified by the expert working group: consumer fraud, securities fraud, insurance fraud, tax fraud, false claims and statements, workplace related offenses (e.g., unsafe working conditions), environmental offenses, illegal payments to government officials, unfair trade practices, bank fraud, and medical fraud. A field for other white collar crimes is also included. Similar to BJS's data collections on other crimes, BJS will use this question to describe the nature of the white collar crimes prosecuted criminally by state AG offices.
- *Number of suspects prosecuted:* Information not just on the number of cases but the number of defendants in those cases will be obtained. BJS will use this question as another measure of the volume of activity of state AG offices in prosecuting white collar crime.
- *Types of suspects prosecuted:* BJS will obtain information on the types of defendants prosecuted by state AG offices. The data collection instrument asks how many prosecutions involved either individuals or sole proprietorships vs. the number that involved partnerships or corporations. BJS collections aim to describe the nature of the offenders in addition to the nature of their victims and the offenses themselves. One of the major statistical questions related to white collar offending is who is prosecuted and punished for the offending. BJS will use this information to describe the type of offenders prosecuted by state AG offices.
- *Punishment of convicted offenders:* BJS will obtain information on the types of sanctions imposed on convicted white collar offenders. BJS will use these data to report on the nature of punishment of offenders prosecuted by state AG offices.

Civil cases:

- *Number civil cases handled:* BJS will obtain information on the number of white collar offenses handled civilly in 2014 by each AG office. BJS will use this question to describe which state AG offices sue suspected offenders in civil court and how many civil cases they handle.
- *Types of civil prosecutions:* The survey asks if the AG office civilly handled any of the types of white collar offenses identified as important by the expert working group (this

parallels the criminal offenses): consumer fraud, securities fraud, insurance fraud, tax fraud, false claims and statements, workplace related offenses (e.g., unsafe working conditions), environmental offenses, illegal payments to government officials, unfair trade practices, bank fraud, and medical fraud. A field for other white collar offenses is also included. BJS will use this question to describe the nature of the white collar offenses handled civilly by AG offices, as civil justice is an important component in the sanctioning of white collar offenses. By obtaining data on civil justice, BJS will be able to produce statistics on how white collar cases are handled, whether criminally or civilly.

- *Number of suspects handled:* Information not just on the number of civil cases but the number of defendants in those cases will be obtained. BJS will use this question as another measure of the volume of activity of state AG offices in prosecuting civil white collar offenses.
- *Types of suspects handled:* BJS will obtain information on the types of defendants prosecuted by AG offices. The data collection instrument asks how many civil cases involved either individuals or sole proprietorships vs. the number that involved partnerships or corporations. BJS collections aim to describe the nature of the offenders and the offenses themselves. One of the major statistical questions related to white collar offending is who is prosecuted and punished for the offending. BJS will use this information to describe the type of offenders prosecuted by state AG offices.
- *Punishment of defendants found liable:* BJS will obtain information on the types of civil sanctions imposed on white collar offenders found liable in civil court. BJS will use these data to report on the nature of punishment of defenders sued in civil court by state AG offices.

#### Structure and decision making of white collar enforcement

- *Sources of referral to state AG offices:* BJS will obtain information on who refers white collar offenses to state AG offices. Unlike with other offenses, which are generally referred to local law enforcement that then refer cases to state courts, white collar offenses might be reported through a wider variety of sources, such as regulatory agencies, due to their complex nature. Given that white collar offending is often civil in nature, this further broadens the sources of referral. In addition, federal or local prosecutors may refer cases to state AG offices for various reasons. These data will be used by BJS to report on the sources of referral of white collar offenses.
- *Referral from state AG offices:* BJS will obtain information on the reasons state AG offices refer white collar offenses to either the federal or local level for criminal prosecution or to other state agencies for regulatory action. This provides further insight into the mechanisms by which white collar offenses are handled. Just as BJS produces statistics on the processing of criminal cases in state and federal courts, BJS will use this information to report on referrals taken in relation to white collar offenses.
- *Task force participation, specialized units, and legal aid:* Four questions ask about state AG offices' participation in task forces, whether they have a specialized unit or staff

dedicated to handling white collar cases, and whether they provide legal aid to other jurisdictions. BJS will use these questions to report on the resources devoted to white collar offenses.

#### Administrative case management systems and future collections

- *Case management systems:* Four questions on the survey instrument ask the respondents if their offices have automated cases management systems and, if so, the detail of the data contained in them. The respondents are asked to provide the years of data available and whether suspects can be identified as an individual or a business. BJS will use the information from these questions to evaluate the possibility of future collections using available administrative data.
- *Regulatory agency activity:* State AG offices often have contact with state and local regulatory agencies. These agencies can sanction white collar offenders. BJS will obtain a list of state and local regulatory agencies in each state.

Upon completion of the 2014 SLWCCP, BJS will review the data from the survey to both analyze the nature of white collar cases handled by state AG offices, and to consider the feasibility of future collections. Another component of the SLWCCP is to document the state and local regulatory activity in each state, which will be accomplished through questions on the state AG survey and through state and local government reports and websites. Information from the FWCVSS at the federal level and the NSP at the local level will be incorporated to fully inform the next efforts.

#### *Other Data Users: Needs and Uses*

As the SLWCCP is a new data collection, there are not existing users of the data. However, it is anticipated that there will be federal, state, and local government users of the data in addition to academic researchers, nonprofits, and the media. The following users are expected to have an interest in the data from the SLWCCP:

- The Bureau of Justice Assistance (BJA) has the mission to provide leadership and services in grant administration in justice policy development to support local, state, and tribal justice strategies to achieve safer communities. As part of this mission, BJA sponsors numerous trainings and task forces to combat white collar crime, many of these with state AG offices. Data collected from the SLWCCP may be helpful both to BJA as it develops future training and funding decisions and to BJA grant applicants who need information when developing proposals.
- The National Institute of Justice (NIJ) sponsors court research and court-based program evaluation to identify tools, programs, and policies that satisfy criminal justice goals including: public safety, cost-efficiency, and fair and equitable treatment of victims and defendants. NIJ currently funds research on white collar crime and the processing of these cases. The SLWCCP can supplement this research with statistics on this topic and can provide guidance for future funding decisions.

- The Department of Justice (DOJ) currently conducts numerous task forces related to white collar crime with states and localities, including task forces with state AG offices. As noted earlier, DOJ's IG offices has investigated the efficacy of DOJ's efforts combating some of these offenses. One of the difficulties faced in evaluating DOJ programs was a lack of valid data. The SLWCCP is one component of BJS's white collar collections that will provide better data to aid in these audits.
- State and local agencies, such as prosecutor offices and regulatory agencies, may be interested in the structure and operations of other states. They may also use the data in combination with the NSP to analyze their state's overall response to white collar offenses.
- Academic researchers and nonprofits may use the data for their own research.
- The media has contacted BJS multiple times to ask for information related to white collar offending, offenders, and their punishment. These data will provide an answer for state enforcement activities.

### 3. Use of Information Technology

The SLWCCP questionnaire will be designed using commercially available software. This software allows for monitoring the completion of the survey for each respondent, thereby allowing BJS and BJS's contractor for the project, the National White Collar Crime Center (NW3C) to monitor the completion of the survey by each respondent. NW3C will have primary responsibility for administering the survey and monitoring the progress of respondents. It is believed that all respondents will be able to complete the online survey.

The publication of SLWCCP 2014 findings will be generated in electronic formats. The report will be available on the BJS website as PDF files. The dataset and supporting documentation will be made available for download via the Inter-University Consortium for Political and Social Research (ICPSR). This will enable researchers to access the electronic versions of the SLWCCP data for further analysis.

### 4. Efforts to Identify Duplication

BJS staff have completed reviews of other data collections and of the literature to identify duplication. BJS has concluded that the SLWCCP will provide information that is not provided elsewhere.

#### *Related BJS Projects*

BJS does not have other collections specifically dedicated to the collection of state white collar crime data and existing collections do not provide the needed information so that information about white collar offenses could be extracted from the data. BJS does not have any current collections that gather data from state AG offices. This is a major gap related to white collar offending, as many white collar cases are handled civilly and state AG offices are an important part of the government's response to these offenses. If possible, future BJS court collection



activities may capture some of the needed data through the use of administrative data. This survey will provide guidance regarding the feasibility of that approach.

#### *Non-BJS Prior Studies and Related Projects*

BJA has funded multiple victimization surveys on white collar crime, including ones in 1999, 2005, and 2010. These surveys did not include civil offenses, used a different definition of white collar crime as the SLWCCP, and (for obvious reasons) did include offenses in which a victim did not realize he or she was victimized. The surveys also did not include information on the justice system's response to the case or information on offenders.

The FBI's National Incident-Based Reporting System (NIBRS) collects information on crimes reported to law enforcement. The data do not allow for identification of white collar crime as defined in this collection. In addition, civil cases are excluded and NIBRS does not contain court information.

#### 5. Efforts to Minimize Burden

In order to create data collection forms that are accurate, easy to understand, and impose the least possible burden on the respondents, BJS and NW3C sought feedback from experts with experience in white collar crime research, prosecution, and survey design in two expert group meetings. Representatives from state AG offices reviewed the survey and provided feedback on the questions and on the length of time it took to answer them.

The respondents did not encounter major difficulties with any of the questions and they found the online instrument easy to complete. Automatic skip patterns took respondents only to relevant sections.

In response to the feedback, wording was changed regarding terms related to civil cases and two questions were added to the survey, one on information for regulatory agencies and one on separate contacts for criminal and civil cases within the state AG offices. A test site for the survey is located here: <http://survey.nw3c.org/snapwebhost/surveylogin.asp?k=136726103125>

-User name: NW3C

-Password: Test6

#### 6. Consequences of Less Frequent Collection

BJA does not currently have a collection that collects data on state and local white offenses. The SLWCCP's federal and local complements, the FWCVSS and the NSP, will also be fielded in 2014. To obtain complimentary data for all levels of government for the same year, the SLWCCP must be fielded in 2014. Aside from data on the nature and handling of white collar offenses and offenders by state AG offices, questions on the SLWCCP also provide information needed for the consideration of future collections of administrative data related to white collar offenses.

Not conducting the SLWCCP continues to limit BJS's statistical portfolio related to prosecution and adjudication, and it will prevent understanding of enforcement actions related to white collar offenses.

7. Special Circumstances

No special circumstances have been identified for this project.

8. Adherence to 5 CFR 1320.8(d) and Outside Consultations

The research under this clearance is consistent with the guidelines in 5 CFR 1320.6. The 60 and 30 day notices for public commentary were published in the Federal Register.

In the design and development phase of the SLWCCP project, BJS, contractor NW3C, and subcontractor the National Association of Attorneys General (NAAG) consulted with members of two expert working groups consisting of substantive experts, prosecutors, and data experts with knowledge of data systems. Some of those consulted include state Deputy Attorneys General, attorneys from state AG offices, state investigators, and academic researchers.

These discussions resulted in a consensus on how to define a white collar offense, what questions are important to state officials, researchers and BJS, and the language and terminology that will be understood by respondents. The following individuals provided valuable information and comments on the content and design of the data collection instrument:

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9. Paying Respondents

Not applicable. Neither BJS nor NW3C will provide any payment or gift of any type to respondents. Respondents will participate on a voluntary basis.

10. Assurance of Confidentiality

According to 42 U.S.C. 3735 Section 304, the information gathered in this data collection shall be used only for statistical or research purposes, and shall be gathered in a manner that precludes their use for law enforcement or any purpose relating to a particular individual other than statistical or research purposes. The data collected through the SLWCCP represent institutional characteristics of state AG offices and counts of offenses handled by those offices. This information, therefore, is in the public domain.

Although BJS's confidentiality statute (42 U.S.C. 3789g) is not being invoked for this collection, the names of the respondents who completed the data collection instrument will be kept confidential. BJS and collection agent NW3C will take all precautions to ensure that individuals completing the survey will not be identified. The online survey is protected through security logins, firewalls, and virus protection software.

11. Justification for Sensitive Questions

No personally identifiable information or questions of a sensitive nature will be asked. Additionally, information obtained about white collar suspects and offenders will only be obtained in the aggregate (e.g., number of suspects that are businesses).

## 12. Estimate of Respondent Burden

Links to the secure online collection instrument will be sent to each state and U.S. territory's Attorney General office. The initial data collection instrument will be in the form of an electronic survey that respondents gain access to via an introductory email. Skip patterns structured into the survey will further reduce respondent burden.

BJS expects that all 56 respondents will complete the survey. The National Association of Attorneys General (NAAG), which includes all respondents as members, will encourage participation in the survey. Points of contact will be identified by NAAG. It is estimated it will take the respondents on average 5 minutes to read the introductory email. The expected mean burden for each completed survey is 31 minutes. The estimated range of burden for respondents is between 15 minutes and 1 hour for completion. These estimates are based on NW3C's and NAAG's prior experience with surveys of this nature and with results from the pilot study. The burden hours for collecting respondent data sum to approximately 34 hours (56 respondents x 36 minutes = 33.6 hours).

## 13. Estimate of Respondent's Cost Burden

We do not expect respondents to incur any costs other than that of their time to respond. The information requested is of the type and scope normally carried in their records and no special hardware or accounting software or system is necessary to provide the information for this data collection. Respondents are not expected to incur any capital, start-up, or system maintenance costs in responding. Further, purchasing of outside accounting or information collection services, if performed by the respondent, is part of the usual and customary business practices and not specifically required for this information.

## 14. Costs to Federal Government

The total expected cost to the Federal Government for this survey \$198,444 all borne by BJS. This work consists of planning, developing the census questionnaire, preparation of materials, collecting the data, evaluating the results, and generating reports. A BJS GS-Level 13 statistician will be responsible for overseeing the NW3C's work on this project. The budget for the project is shown below.

## Estimated costs for the State and Local White Collar Crime Program

### BJS Costs

#### Staff Salaries

GS-13 Statistician (10% per year X 2 years)	\$	18,400
GS-15 Supervisory Statistician (2% per year X 2 years)	\$	6,240
GS-13 Editor (3% per year X 1 year)	\$	2,760
Other Editorial Staff (over life of project)	\$	500
Front-Office Staff (GS-15 & Directors over life of project)	\$	1,500
<i>Subtotal salaries</i>	\$	29,400
Fringe Benefits (28% of salaries)	\$	8,232
<i>Subtotal: Salary &amp; Fringe</i>	\$	37,632
Other administrative costs on salary & fringe (15%)	\$	5,645
<b>Subtotal: BJS costs</b>	\$	72,677

#### Data Collection Agent (NW3C and NAAG)

Personnel	\$	65,806
Fringe Benefits	\$	17,768
Travel	\$	5,484
Consultant	\$	-
Contracts	\$	10,285
Other	\$	5,482
Total Indirect	\$	20,942
<b>Subtotal Data Collection Agent (NCSC)</b>	\$	125,767
<b>TOTAL ESTIMATED COSTS</b>	\$	198,444

### 15. Reason for Change in Burden

Not applicable. There is no reason for change in burden as this is a new collection.

### 16. Project Schedule and Publication Plan

The project will be completed through the following schedule.

<u>Task</u>	<u>Start date</u>	<u>End</u>
Planning, Preparation, OMB Review	July 2014	Dece
Data collection	January 2015	Febr
Notification of impending due dates, nonresponse follow- up, thank you letters	February 2015	Febr
Data editing, verification as surveys are completed	January 2015	Febr
Analysis	March 2015	Marc
Report writing	April 2015	May

After securing OMB approval, the SLWCCP data collection will occur from January 2015 to February 2015. To alert respondents to the upcoming 2014 SLWCCP, respondents will be emailed in January 2015 to inform them about the data collection. This initial email will be an electronic letter from BJS explaining the online data collection and requesting their participation in the near future (see Attachment 2). The data collector, the National White Collar Crime Center, will send out a second email within two weeks of the initial email providing instructions on how to participate in the collection and containing a hyperlink to the questionnaire itself (see Attachment 3).

Nonrespondents will be contacted via emails, phone calls, or faxes in mid-November to alert them to the impending February 2015 due date (see Attachment 4).

After a majority of respondents have submitted data, preliminary analyses will begin. These preliminary analyses will be undertaken while data collection is still in progress in order to provide time for making callbacks to clarify data. The data editing process will involve BJS and NW3C engaging in a series of procedures to clean and verify the data submitted for analysis.

After the data cleaning process is complete, data from the 2014 SLWCCP collection will be used in the production of a report, ***White Collar Offenses Handled by State Attorneys General, 2014***, which will describe the processing of white collar offenses by state AG offices. The report will use descriptive statistics and cross-tabs at the state and national level to examine the nature of

offenders, offenses, and case processing. Once data from the National Survey of Prosecutors are available, a second report comparing the state and local processing of white collar offenses will be produced (*State and Local White Collar Offenses, 2014*).

The data for the 2014 SLWCCP will be made available for downloading and further analysis at the Inter-University Consortium for Political and Social Research (ICPSR) immediately following publication of the first BJS report.

17. Display of Expiration Date

The expiration date will be shown on the survey form.

18. Exception to the Certificate Statement

Not applicable. This is a new data collection.