**THE SUPPORTING STATEMENT**

A. Justification

1. Circumstances Making the Collection of Information Necessary

 There is no longer a High Performance Bonus associated with this information collection. The Deficit Reduction Act of 2005 (Pub.L. 109-171) eliminated the funding for the High Performance Bonus (HPB), but we are still requesting that States continue to submit data necessary to calculate the work measures previously reported under the HPB.

 Specifically, The TANF program was reauthorized under the Deficit Reduction Act of 2005. The statute eliminated the funding for the HPB under section 403 (a)(4). Nevertheless the Department is required under section 413(d) to annually rank State performance in moving TANF recipients into private sector employment. We are, therefore, requesting that States continue to transmit monthly files of adult TANF recipients necessary to calculate the work measures performance data. To the extent States do not provide the requested information, we will extract the matching information from the TANF Data Report. This may result in calculation of the work performance measures based on sample data, which would provide us less precise information on States performance.

1. Purpose and Use of the Information Collection

The Transmission File Layouts form provides the format that States will continue to use for the quarterly electronic transmission of monthly data on TANF adult recipients. States that have separate TANF-MOE files on these programs are also requested to transmit similar files. We are not requesting any changes to the Transmission File Layouts form.

1. Use of Improved Information Technology and Burden Reduction

States must file the data electronically using the record format specified. The decision to require electronic filing was based on a need to reduce the paperwork burden and to increase the efficiency and timeliness of the data collection, and is in accordance with the requirements of 45 CFR 270.12.

1. Efforts to Identify Duplication and Use of Similar Information

These data collection reporting requirements replace the data collection requirement of the ACF-200. They simplify the data collection, substantially reduce the burden on the States, and facilitate more accurate and equitable data collection.

1. Impact on Small Businesses or Other Small Entities

This collection of information does not impact small businesses or other small entities. It affects only States, the District of Columbia, Guam, Puerto Rico and the Virgin Islands.

1. Consequences of Collecting the Information Less Frequently

If these data were not collected, HHS would not be able to fulfill its statutory requirement to annually rank State performance in moving TANF recipients into private sector employment.

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

The Deficit Reduction Act of 2005 (Pub.L. 109-171) eliminated the funding for the High Performance Bonus (HPB), but we are still requesting that States continue to submit data necessary to calculate the work measures previously reported under the HPB.

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

On July 28, 2014 we published a notice on 79 FR 43750 soliciting comments on this information collection. We received none.

1. Explanation of Any Payment or Gift to Respondents

These data collections do not involve any payment or gift to respondents.

1. Assurance of Confidentiality Provided to Respondents

The Department has determined that this collection of information for the High Performance Bonus System falls under the requirements of the Privacy Act. The appropriate notice has been published in the Federal Register, Volume 69, No. 15, Page 33644-33648, dated June 15, 2004.

1. Justification for Sensitive Questions

The information collection includes names and social security numbers, but the Administration for Children and Families implimented porcesses to ensure

confidentality. After the Office of Family Assistance (OFA) sends the submitted data to the Office of Child Support Enforcement (OCSE) deidentifies the data.

1. Estimates of Annualized Burden Hours and Costs

| INSTRUMENT OR REQUIREMENT | NUMBER OF RESPOND-ENTS | NUMBER OF RESPONSES PER RESPOND-ENT | AVERAGE BURDEN HOURS PER RESPONSE | TOTAL BURDEN HOURS |
| --- | --- | --- | --- | --- |
| State High PerformanceBonus System (HPBS)Transmission File LayoutsFor HPBS Work Measures |  25 |  2 |  12 |  600 |

 Estimated Total Annual Burden Hours: 600

In the TANF HPB final rule, we estimated the reporting burden for this information collection to be 1,008 hours, based on an estimate of 42 respondents provding 2 responses each, with an average of 12 burden hours per response. But since the TANF HPB final rule was issued, the estimated number of respondents has decreased. Fewer states submit HPB, and instead, opt for us to extract the HPB data from their caseload data. This may be due, in part, to HHS no longer providing a montery bonus based on the States' HPB data. Also, we believe the burden of reporting this minimal identifying data is even lower for most States, as States already have experience in extracting case/individual identifying information from their electronic data bases for matching purposes, including the Income and Eligibility Verification System (IEVS) matches required by statute. The total annual burden estimate includes computer run-time to execute the program, the creation of an extract data file, and transmitting the information.

We estimate the annualized cost of the hour burden to be $54,000, an adjustment of $36,720, from the previous annualized cost esimate of $90,720. This is based on an estimated average hourly cost (including overhead, fringe benefits, etc.) of $90.00 for the State staff performing the work multiplied by the 600 burden hours.

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

States use existing data sources such as TANF administrative records systems to extract and transmit the minimal data set required. Therefore, this information collection does not result in any annual marginal cost.

1. Annualized Cost to the Federal Government

This process has become mostly automated, so there is a significant reduction in Federal annual burden. We estimate total annual Federal burden hours to be 240 hours. This includes monitoring and collecting information, editing, coding, ranking and the matching of information with the National Directory of New Hires (NDNH). Based on an estimated average hourly Federal cost of $100 (including overhead, fringe benefits, etc), the total estimated average annual Federal cost for labor is $24,000. Annual storage costs for the HPBS at the National Institutes of Health (NIH) is $10,000. The cost to the Federal Government for NDNH matching is $31,000, a downward adjustment of $13,000 from the previous estimate of $44,000 . The total annual Federal cost is $78,000, $13,000 less than the previous cost of $78,000, due to the $13,000 downward adjustment in NDNH matching costs.

1. Explanation for Program Changes or Adjustments

The annualized burden hours differ from previous years as fewer states now submit separate HPB data, and instead opt to have the Office of Child Support Enforcement (OCSE) extract the HPB data from state caseload data already submitted to the Office of Family Assistance. This also reduced the annualized cost to the federal government.

1. Plans for Tabulation and Publication and Project Time Schedule

We intend to publish the data around the end of each fiscal year and also include it the TANF Annual Report to Congress.

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

Not applicable

1. Exceptions to Certification for Paperwork Reduction Act Submissions

Not applicable