

**Supporting Statement**  
**Self-Employment Assistance (ETA 9161)**  
**Request for an extension with revision of a currently approved collection**  
**OMB CONTROL NO. 1205-0490**

**A. Justification**

1. *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.*

The Noncitizen Benefit Clarification and Other Technical Amendments Act of 1998, (Public Law 105-306, section 3) permanently authorized the Self-Employment Assistance (SEA) program, which is a reemployment program that helps Unemployment Insurance (UI) claimants start their own businesses, and Public Law 112-96, the Middle Class Tax Relief and Job Creation Act of 2012, expanded the program by providing states with the opportunity to allow UI claimants receiving compensation in the Extended Benefits (EB) program to participate in the SEA program. However under current economic assumptions, no states are projected to pay compensation in the EB program during the next several years.

Currently, 7 states use this reemployment program, for which a minor amount of information (claimants entering the program, and weeks and amounts of dollars paid) is collected under OMB Control Number 1205-0010.

In accordance with statutory requirements and to assist States in establishing, improving, and administering self-employment assistance programs outlined in PL 112-96, section 2183(a), OMB approved a reporting instrument specific to the SEA program, the ETA 9161. ETA now seeks a regular three-year extension for this form. In addition to Public Law 112-96, collection of data necessary for oversight of the program is authorized under Section 303(a)(6) of the Social Security Act. In order for states to prepare their summary reports, ETA believes States will need to collect information from program beneficiaries. These interactions are more fully discussed in item 12 of this Justification.

2. *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.*

The ETA 9161 report includes information on people entering the SEA program as well as the benefits they receive and some limited outcome data. These data are being used for oversight and to provide data responsive to statutorily required evaluations of this program. States summarize information collected from SEA program participants to prepare the reports.

3. *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.*

The states are continually improving program operations and their information handling technologies and, where feasible, new methods are used for taking applications and for collecting and transmitting the data for these reports. For example, many states have implemented automated remote claims-taking systems as well as automated recordkeeping. Reduction of burden through increased automation is always encouraged and supported. As with virtually all UI reports, the ETA 9161 report is part of an electronic reporting system through which state UI agencies enter the data on a monthly basis and transmit the data to the ETA National Office.

4. *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.*

Current Federal law grants states the exclusive role of administering UI claims. Due to existing laws and regulations, no entity other than the state workforce administration could possibly handle the claimant data and provide summaries of claimant eligibility and outcomes. Therefore, there is no duplication in the information being requested.

5. *If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.*

Given that this information collection was created around the concept of SEA, it is likely that states' following up with establishments created by claimants may affect small business to meet the reporting requirements spelled out here. However, the number of claimants entering the program is quite small (see section 12) and the number of those claimants who actually establish small businesses is likely to be even smaller. In addition, the data states need to collect from participants are not expected to require extensive time commitments from the states or respondents. ETA will follow up with claimants for four quarters following their participation in the SEA program. Since the law mandates this data collection for all ongoing SEA activities, this impact is expected to continue for the foreseeable future.

6. *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.*

The ETA 9161 report is due quarterly. If these data were collected less frequently, ETA's ability to carry out its statutory oversight responsibilities and document state issues in implementing the programs would be compromised.

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

There are no special circumstances.

8. *If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), 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. Specifically address comments received on cost and hour burden.*

*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.*

A Federal Register Notice was published for sixty days' public comment on April 23, 2015 (80 FR 22744). No comments were received.

9. *Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.*  
No payment or gift is provided to respondents.
10. *Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.*

No assurance of confidentiality is provided to State Workforce Agencies (SWAs) responding to this collection. Their responses are considered a matter of public record. Information is reported in summary form by SWAs; no personal information is reported on any given beneficiary.

11. *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.*

Though individual wage and employment data will be collected at the state level, this will be reported back to ETA in aggregate form, such that there is no individual data that can be identified in reports provided to the ETA. As a result, there are no items on the form involving sensitive information of a private nature or otherwise.

12. *Provide estimates of the hour burden of the collection of information. The statement should:*

ETA anticipates that the burden on states to produce this report will be twofold. First, states need to track claimants and follow up with them to report the current status and outcome data on the establishments created. States will report this data for all participants while they are drawing benefits from the SEA program, and subsequently for four quarters following their participation to ensure that any activity around creating establishments is captured. Second, states need to transmit the summary data and outcomes to ETA.

On the burden involved with generating the data to report, states need to follow up with SEA participants to determine whether the establishments they have created are continuing to operate and what sort of impact they might have in terms of employing other people, paying wages and generating revenue. States need to spend 30 minutes per participant per quarter to follow up with them regarding the establishments that they have created to collect and tabulate the data and describe the outcomes for this report. Since ETA anticipates 1,600 participants, the burden states would incur would be 1,600 participants x 4 quarters of reporting x 0.5 hours = 3,200 hours. This is likely an upper-bound estimate of burden, as states will likely be implementing this program over a period of time (they must first enact legislation and codify policies) and participants will likely be added incrementally over time.

On the burden involved with reporting the resulting data, ETA anticipates quarterly submittals from all states operating SEA programs. The full estimated annualized burden for Federal reporting for the program would be estimated at 7 respondents (states currently operating or planning to initiate SEA programs) x 4 quarterly reports at an estimated burden of 2 hours per report to compile the numbers from various sources, enter them into the Federal electronic reporting system, and transmit them.  
 $7 \text{ respondents} \times 4 \text{ quarterly reports} \times 2 \text{ hours / report} = 56 \text{ hours}$

Total annual estimated burden hours:

Data Collection: 3,200 hours

Report generation and transmission: 56 hours

Total Federal Reporting Burden: 3,256 hours.

DOL believes the value of State respondent time to be \$153,683. In monetizing the burden, DOL assumes State Workforce Agency staff typically prepares the responses. Based on cost accounting systems, ETA estimates that for FY 2016, the average wage of a state workforce agency employee, including fringe costs, is \$47.20.

The data collection imposed on states to collect data on program beneficiaries will create an identical burden for beneficiaries of this program who are required to disclose information to the State Workforce Agencies. During CY 2014, 1,200 claimants participated in this program, and DOL expects an expansion of 33% as the program becomes promoted more widely. As such DOL estimates this information collection imposes a 3,200 hour burden (1,600 respondents x 4 reports x 0.5 hours).

Because this program could attract workers from a wide variety of industries, DOL has used the January 2015 seasonally adjusted national average hourly wage of all employees on private nonfarm payrolls of \$24.76 to calculate the value of individual or household respondent time. This number is inflated by 40% to account for some overhead and fringe benefit costs resulting in an estimated hourly wage of \$34.66. Therefore,  $3,200 \times \$34.66 = \$110,912$ .

### Burden Hour Summary

Category	Respondents	Responses Per Respondents	Total Number of Responses	Response Time (Hours)	Total Burden Hours	Time Value	Value of Respondent Time
State Records on Participants	7	914.3	6,400	0.5	3,200	\$47.20	\$151,040
State Reporting	7	4	28	2.0	56	\$47.20	\$2,643
Participant Disclosures to States	1,600	4	6,400	0.5	3,200	\$34.66	\$110,912
Unduplicated Totals	1,607	Varies	12,828	Varies	6,456		\$264,595

\*Source: The hourly rate is computed by dividing the FY 2016 national average PS/PB annual salary for state staff as provided for through the distribution of state UI administrative grants ([http://wdr.doleta.gov/directives/attach/UIPL/UIPL\\_21-15.pdf](http://wdr.doleta.gov/directives/attach/UIPL/UIPL_21-15.pdf)) by the average number of hours worked in a year (1,711). For FY2016, this calculation was: \$80,756 / 1,711 = \$47.20. The January 2015 average hourly wage of all employees on private nonfarm payrolls can be on Table B3 on the following Employment Situation report: ([http://www.bls.gov/news.release/archives/empst\\_04032015.htm](http://www.bls.gov/news.release/archives/empst_04032015.htm)). The hourly rate calculation for participants disclosures to states was: \$24.76 x 40% = \$9.90 + \$24.76= \$34.66. Note the federal government provides the administrative funding that covers salaries of states staff, so this data collection does not represent a direct cost to the state.

13. *Provide an estimate for 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 already reflected on the burden worksheet).*

There are no other costs than those described in 12 above.

14. *Provide estimates of annualized costs 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 may also aggregate cost estimates from Items 12, 13, and 14 in a single table.*

ETA budgeted \$791,000 to operate and maintain the Unemployment Insurance Required Reports system. Including the subject ICR, this system supports 30 information collection. For administrative purposes, each information collection is assumed to contribute to this ICR is estimated to be \$26,367 (\$791,000 system cost/ 30 information collections).

15. *Explain the reasons for any program changes or adjustments reported on the burden worksheet.*

Previously information was collected for participants eligible for Emergency Unemployment Compensation, however that program has expired and authorization for that portion of this data collection is no longer necessary. Additionally, under current

economic assumptions, no states are projected to pay compensation in the EB program during the next several years, resulting in a reduction in the burden estimate.

16. *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.*

There are no plans to publish the data at this time.

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

The OMB number and expiration date are displayed as part of the reporting instructions for the ETA 9161 report.

18. *Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."*

There are no exceptions.

**B. Collection of Information Employing Statistical Methods.**

This collection does not employ statistical methods.