

**Unemployment Insurance (UI) Supplemental Funding
Opportunity for Improved Operations
Supplemental Justification**

Supplemental Supporting Statement A: Justification

This request seeks OMB approval under the Paperwork Reduction Act for the unique information collection requirements in the “UI Supplemental Funding Opportunity for Improved Operations,” solicitation. The Department will notify State Workforce Agencies (SWAs) of the availability of Fiscal Year (FY) 2016 funds to award Supplemental Budget Request (SBR) grants. These grants will fund activities that support improved operations through the prevention and detection of UI improper benefit payments, state performance improvements, and addressing outdated Information Technology (IT) system infrastructures as authorized under Title III of the Social Security Act (as amended).

The Employment and Training Administration (ETA) has been working to accelerate state actions to reduce improper payments, improve performance, and modernize IT infrastructure. ETA continues to work aggressively with states to reduce UI improper payments by implementing a comprehensive and continuously evolving strategic plan that targets the largest root causes of overpayments. As a condition of funding eligibility, those opportunities required states to implement specific strategies in order to qualify for additional funding. The SBR grants available to states for each of these opportunities will be based on the estimated availability of above-base funding remaining after the allocation of funds to cover workloads experienced by the states.

These SBR funding opportunities have led to widespread state adoption of strategies such as the use of the National Directory of New Hires (NDNH) for cross-matching UI claims, the Treasury Offset Program (TOP) for the recovery of fraud and certain non-fraud overpayments, and the State Information Data Exchange System (SIDES) for the timely and accurate exchange of employer information. Improving UI program accountability and performance also continues to be a strategic priority for ETA. To further this commitment, in FY 2014, ETA embarked on a major multi-year initiative to reengineer its program oversight and accountability processes for state benefit operations. The highlights of this initiative include integrating peer reviews with new operational review processes, the development of a comprehensive self-assessment tool that will be used by states in conducting assessments of their individual UI benefits program operations, and targeted technical assistance to those states with the most significant challenges related to program performance or administrative operational issues to support improved performance.

ETA will continue its efforts to support individual states and state consortia in updating their IT infrastructures, in part by funding the UI Information Technology Support Center (ITSC) and by providing SBRs for this purpose when sufficient funds are available.

Due to the limited availability of funding for SBR requests overall, ETA is limiting consortia funding opportunities to pre-existing consortia and has tailored this funding opportunity to focus on specific priorities. To receive any funding through this

solicitation, states that were not previously funded to implement SIDES must commit to fully implement and begin using SIDES Web Services and E-Response by March 31, 2018. In addition, states that previously received funding must attest to the status of SIDES implementation and fully implement and begin using SIDES Web Services and SIDES E-Response. States must also attest that they will continue convening a cross-functional UI Integrity Task Force to support the development of an Integrity Action Plan submitted as part of the State Quality Service Plan.

Applications will include the following information collections: 1) SBR package consisting of an individual application for the SIDES Implementation and/or any optional Additional Strategies for which the state seeks funding. 2) Form SF-424 “Application for Federal Assistance,” separately cleared under OMB control number 4040-0004, 3) Form SF-424A “Budget Information Form, OMB control number 4040-0006, covering all projects in the SBR.

Electronic availability:

This grant solicitation is available on the www.doleta.gov Web site. Based on past DOL experience, the Department anticipates 75 percent of responses will be submitted electronically.

Small Entities:

This information collection will not have a significant impact on a substantial number of small entities.

Assurances of confidentiality:

These grant solicitations do not offer applicants assurances of confidentiality.

Special circumstances:

This solicitation implicates no special circumstances.

Burden:

The DOL expects to receive approximately 54 applications from an equal number of respondents. The public reporting burden for this collection of information is estimated to average 20 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining needed data, and completing and reviewing the collection of information.

54 applications x 20 hours = 1080 hours

The DOL has increased the average hourly earnings in the professional and business services industry to \$30.56 per hour to monetize this burden. See The Employment Situation—May 2016, DOL, Bureau of Labor Statistics, http://www.bls.gov/news.release/archives/empisit_06032016.pdf at page 33.

1080 hours x \$30.56 = \$33,004.80

The DOL associates no other burden costs with this information collection. In addition to the application, each grantee will be required to submit quarterly financial, performance, and narrative reports to the ETA. Those information collection requirements will be cleared under a separate control number.

Total burden: 54 respondents, 54 responses, 1080 hours, \$0 other cost burden.

Supplemental Supporting Statement B: Statistical Methods

This information collection does not employ statistical methods.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 20 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is mandatory. Your responses are intended to be anonymous. Please do not include personal information (e.g. your name or address) in any answer. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Office of the Chief Information Officer, Attention: Departmental Clearance Officer, 200 Constitution Avenue, N.W., Room N-1301, Washington, DC 20210 or email DOL_PRA_PUBLIC@dol.gov and reference the OMB Control Number 1225-0086.