Funding Opportunity for Fiscal Year 2019 Reemployment Services and Eligibility Assessment Grants 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 "Fiscal Year (FY) 2019 Funding Allotments and Operating Guidance for Unemployment Insurance (UI) Reemployment Services and Eligibility Assessment (RESEA) Grants," solicitation. The Department of Labor (Department) will notify State Workforce Agencies (SWAs) that the enacted Fiscal Year 2019 appropriation makes available \$150 million to fund activities to continue a current RESEA program or to implement a new RESEA program during FY 2019, as authorized by Section 306 of the Social Security Act (SSA). For reference, see the Conference Report accompanying Department of Defense and Labor, Health, and Human Services, and Education Appropriations Act 2019 and Continuing Appropriations Act, 2019 (Pub. L. 115-245) available at:

https://www.congress.gov/congressional-report/115th-congress/house-report/952/1.

Since 2005, Department and participating state UI agencies have been addressing individual reemployment needs of UI claimants and working to prevent and detect UI improper payments through the voluntary UI Reemployment and Eligibility Assessment (REA) program and, beginning in FY 2015, through the voluntary RESEA program. Because there is strong evidence that these programs and service delivery strategies work, they have been a high priority for the Department's Employment and Training Administration (ETA). At the end of FY 2018, a total of 51 states and jurisdictions were operating an RESEA program.

On February 9, 2018, the President signed the Bipartisan Budget Act of 2018, Public Law 115-123 (BBA), which included amendments to SSA that create a permanent authorization for the RESEA program. The RESEA provisions are contained in Section 30206 of the BBA, enacting new Section 306 of the SSA. The permanently authorized RESEA program provides for a phased implementation of new program requirements over several years. The phased implementation begins in FY 2019 with new requirements that RESEA funds must be used for interventions or service delivery strategies demonstrated to reduce the average number of weeks participants receive benefits by improving participant employment outcomes, including earnings and the introduction of additional flexibilities for targeting RESEA participants. Additional program requirements will be phased in during FYs 2020, 2021 and 2023.

Applications will include the following information collections:

- 1. Form provided in Attachment II of the Funding Opportunity. An electronic version of Attachment II will be made available to states through www.grants.gov and from the ETA Regional Offices; OMB Control No. 1225-0086, expiration date 05/31/2019.
- 2. SF-424: Application for Federal Assistance; OMB Control No. 4040-0004, expiration date 10/31/2019.
- 3. SF-424A: Budget Information-Non-Construction Programs; OMB Control No. 4040-

0006, expiration date 01/31/2019.

4. Indirect Costs: Applicant states that include indirect costs in the budget must include either: (a) The approved indirect cost rate with a copy of the Negotiated Indirect Cost Rate Agreement (NICRA), a description of the base used to calculate indirect costs along with the amount of the base, and the total indirect costs requested; OR (b) For those applicant states that meet the requirements to use the 10 percent de minimis rate as described in 2 CFR 200.414(f), a description of the modified total direct cost base (see 2 CFR 200.68 for definition) used in the calculation along with the amount of the base, and the total indirect costs requested based on the 10 percent de minimis rate. The following link contains information regarding the NICRA at the Department: http://www.dol.gov/oasam/boc/dcd/index.htm

Electronic availability:

This grant solicitation is available on the <u>www.doleta.gov</u> Web site. Based on past experience, the Department anticipates 100 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:

This grant solicitation does not offer applicants assurances of confidentiality.

Special circumstances:

This solicitation implicates no special circumstances.

Burden:

The DOL expects to receive approximately 53 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.

53 applications x 20 hours = 1060 hours

The DOL has increased the average hourly earnings in the professional and business services industry to \$32.81 per hour to monetize this burden. See The Employment Situation—November 2018, DOL, Bureau of Labor Statistics, https://www.bls.gov/news.release/pdf/empsit.pdf at page 33.

1060 hours x \$32.81 = \$34,778.60

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: 53 respondents, 53 responses, 1060 hours, \$0 other cost burden.

Supplemental Supporting Statement B: Statistical Methods

This information collection does not employ statistical methods.