

SUPPORTING STATEMENT
Weekly Claims and Extended Benefits Data and
Weekly Initial and Continued Weeks Claimed
OMB Control No. 1205-0028

This information collection request is associated with the Final Rule amending 20 CFR 615, Extended Benefits, by implementing the Total Unemployment Rate (TUR) indicator, an optional calculation methodology for triggering on Extended Benefits, in regulations, and has no program or burden change on the ETA 538 or ETA 539. The Final Rule deletes paragraphs (c) and (d) under the regulatory requirements at § 615.15, pertaining to records and reports State agencies must submit. The reporting instructions for the proper and timely submission of data are provided in ET Handbook No. 401, which governs Unemployment Compensation required reporting.

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 [Federal-State Extended Unemployment Compensation Act of 1970 section 203](#), as amended provides for extended benefits to be paid to claimants exhausting regular benefits in a state if that state is experiencing high unemployment as measured by a thirteen week moving average of the insured unemployment rate. The ETA 539 report is the vehicle states use to report weekly insured unemployment and other information necessary to calculate the trigger rate. The head of the state agency shall notify the Secretary of Labor that a state is triggering "on" or "off" extended benefits. The Secretary shall then publish such notice in the Federal Register.

In addition, the Department of Labor publishes the number of initial claims for unemployment insurance and the number of continued weeks claimed for unemployment insurance. These two pieces of data are important economic indicators. Initial claims are a leading economic indicator and continued weeks claimed are a concurrent indicator. These data are used by other government agencies such as the Federal Reserve Board, the Council of Economic Advisors, the Bureau of Labor Statistics, the Office of Management and Budget, and the Department of Commerce as well as economists in the private sector. The data may also provide insight on state agency workload requirements and can be used in budget forecasting.

While only two of several labor market indicators, these claims take on added importance because they are weekly and because they are available so soon after the period of reference.

The ETA 538 report permits the Department to report data five days after the week of reference. This data is released as an "advance" figure to the ETA 539 economic data.

The ETA 539 is not as timely but it gives slightly more accurate figures nationally and provides State data reflecting claimants by state of residence, which the ETA 538 does not.

This collection is authorized by the Social Security Act, section 303(a)(6) and by PL 91-373, section 203.

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 data are used by the Office of Unemployment Insurance to assure that the states perform Extended Benefits (EB) trigger calculations correctly and to monitor patterns of data to assure proper reporting. The Secretary of Labor may then certify that a state has begun or ended an extended benefit period. If this data were not collected, the Department of Labor would have to take the word of the states that data were correct at the time of certification with no way to check it. If data were not monitored, states could change trigger status when they should not, causing benefits to be paid when they should not and visa versa.

As indicated above, both initials and continued weeks are used by various agencies of the government to show the labor market conditions. These data are used as a predictor of the economy of the nation in general. If data were not collected on these weekly reports, then the only source would be a monthly report on which data is not available until about twenty days after the month of reference. This would not be timely enough to be predictive and there would be fewer data points to indicate trend.

The ETA 538 gives an advance figure quickly for publication of the key economic data while the ETA 539 gives a more refined economic picture of the US and state activity, as well as providing, as its main purpose, data on the EB trigger mechanism.

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.*

In compliance with the Government Paperwork Elimination Act, these reports are highly computerized. The reports are submitted over the Unemployment Insurance Required Reports (UIRR) electronic entry system which allows states to enter data on a computer in each state. The input screen will default such things as state name, report date, and week number, and in the case of the ETA 539, the covered employment figure which remains the same for 13 weeks at a time. A national office computer polls each state computer each night to pick up reports submitted. This electronic submission of the ETA 538 is the main reason the weekly claims release time can be accelerated providing information on claims the fifth day after the week the data represents. The electronic system also contains edits and other features to assure the most accurate data possible.

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.*

Weeks claimed and initial claims data are reported on the ETA 5159 (OMB 1205-0010), but that data is monthly and would not allow for as many data points for economic trend analysis nor for the required weekly tracking of Extended Benefits triggering data. The ETA 5159 data are not available until three weeks after the close of the reference month, which means it would not be timely for either triggering purposes or for predictive purposes. However, the monthly data is still required because it provides finer detail than the weekly data.

While closely related, the data on the ETA 538 differ from the ETA 539 figures. The ETA 539 include intrastate and interstate agent counts, thus representing the insured unemployed residing in and therefore looking for work within the State reporting the data. The weeks claimed data reported on the ETA 538, does not include agent weeks claimed but instead includes liable counts which are available more quickly.

The ETA 538 initial claims are the initial claims received directly from claimants during the report period, whether that is as intrastate, liable or agent State. The ETA 539 initial claims represent intrastate and interstate agent claims. Because each is an unduplicated count, the US figure should remain essentially equivalent.

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

The collection does not involve small business or other small entities.

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.*

If data were collected less frequently than weekly, we could not properly monitor the states calculation of trigger rates to assure it was being done properly and head off problems early. As it is, a state begins paying benefits in an extended benefit period just four days after we receive the report which tells us they have triggered "on". By monitoring the data all along, we can be confident that the triggering is proper. If we only have four days (two of which are a weekend) to receive backup materials, analyze trends and redo calculations, a state might begin paying benefits before we could confirm it was proper.

If data were collected less frequently than weekly, it would take on much less importance as an economic indicator and would not give as much lead time in its ability to project the direction of the economy.

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

See items 1. and 2. for explanation of need for weekly data.

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.

- As required by 5 CFR 1320.8(d), ETA has solicited comments on the proposed extension of approval for the ETA 538 and 539 through publication in the Federal Register on March 27, 2015 (80 FR 16458). No public comments were received.

This data collection has been in effect for a number of years.

- On Oct. 27, 2014, the Department published a Notice of Proposed Rulemaking (NPRM), *Federal-State Unemployment Compensation Program; Implementing the Total Unemployment Rate as an Extended Benefits Indicator and Amending for Technical Corrections*, (79 FR 63859) for public comment. The NPRM did not change the existing reporting requirements for Forms ETA-538 or ETA-539. The NPRM proposed to amend 20 CFR 615, Extended Benefits, by implementing the Total Unemployment Rate (TUR) indicator, an optional calculation methodology for triggering on Extended Benefits, in regulations. The proposed rule did not contain new information collection. The TUR is not collected via the ETA-538 or ETA-539. However, the NPRM also proposed to delete paragraphs (c) and (d) under the regulatory requirements at § 615.15, pertaining to records and reports State agencies must submit. The reporting instructions for the proper and timely submission of data are provided in ET Handbook No. 401, which governs Unemployment Compensation required reporting. The Department received no public comments on the deletion of paragraphs (c) and (d).
- The preamble to the NPRM stated that the Department had determined the

proposed rule did not contain new information collections. However, to ensure transparency and full opportunities for public participation under all appropriate authorities, we sought public comment on the removal of specific information collection requirements in the NPRM and on the general Extended Benefit reporting requirements in Handbook 401 and Forms ETA 538 and 539 by publishing a second 60-Day PRA FRN. See 44 U.S.C. 3506(c)(2)(B); 5 CFR 1320.11. This last FRN was published on July 7, 2015 (80 FR 38747). The Department received no public comments.

9. *Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.*

There is no remuneration given to respondents.

10. *Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.*

While there is no assurance of confidentiality, as a practical matter data submitted are embargoed until after the publication date.

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.*

There are no questions of a sensitive nature.

12. *Provide estimates of the hour burden of the collection of information.*

Annual burden hours are estimated at 3,675 per year for both reports. There is shared preparatory time which is reflected in the ETA 538 report here because it is submitted first.

ETA 538 53 states x 52 reports x 30 min. = 1,378 hours
ETA 539 53 states x 52 reports x 50 min. = 2,297 hours

3,675 hours

The data are a by-product of SWA's operation of the unemployment insurance system. The cost of assembling the reports is estimated to be \$164,235.75 per year. This estimate is arrived at by multiplying the annual burden hours by the FY 2015 average hourly wage for state workforce agency staff as follows:

3,675 hours x \$44.69 = \$ 164,235.75.

Estimated Annualized Respondent Burden Hours and Costs

Activity	Respondents	Responses per Respondent	Total Number of Responses	Response Time (Hours)	Total Burden Hours	Wage Rate *	Total Burden Costs
Reporting of 538	53	52	2,756	.5	1,378	\$44.69	\$61,583
Reporting of 539	53	52	2,756	.83	2,297	\$44.69	\$102,653
Total	53	NA	5,512	NA	3,675	\$44.69	\$164,236

*Source: The hourly rate is computed by dividing the FY 2015 national average PS/PB annual salary for state staff as provided for through the distribution of state UI administrative grants (http://www.ows.doleta.gov/dmstree/uipl/uipl2k14/uipl_1914.pdf) by the number of hours worked in a year (1,711). For FY 2015, this calculation was: \$ 76,461/1,711 hours = \$44.69 per hour.

Note that the federal government provides administrative funding that covers salaries of state staff, so this 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 involved other than mentioned in item 12.

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.*

This data is submitted electronically by states and stored on Department owned computer systems along with many other reports. There are no direct additional federal costs to processing this report.

ETA budgeted \$791,000 to operate and maintain the Unemployment Insurance Required Reports system. Including the subject ICR, this system supports 30 information collections. For administrative purposes, each information collection is assumed to contribute an equal share of the cost for supporting the entire system; therefore the cost allocated 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.*

The burden remains unchanged for this information collection. This information collection revision request is associated with the Final Rule amending 20 CFR 615, Extended Benefits, by implementing the Total Unemployment Rate (TUR) indicator, an optional calculation methodology for triggering on Extended Benefits, in regulations. The Final Rule deletes paragraphs (c) and (d) under the regulatory requirements at § 615.15, pertaining to records and reports State agencies must submit. The reporting instructions for the proper and timely submission of data are provided in ET Handbook No. 401, which governs Unemployment Compensation required reporting.

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.*

The ETA 538 data are published as “advance” national and state level claims figures in the weekly news release every Thursday. The news release also contains the state by state data and revised national data for each of the two weeks prior to the advance data from the ETA 539. The news release is available to the public on the Department of Labor internet web site.

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.*

ETA will display the OMB control number and expiration date on the ETA 538 and ETA 539.

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

There are no exceptions.

B. Collections of Information Involving Statistical Methods.

This collection does not involve statistical methods.