

## **Supporting Statement to Request for OMB Approval Annual Refiling Survey**

### **A. Justification**

#### **1. Necessity of the Information Collection**

The Quarterly Census of Employment and Wages (QCEW) program, once known as the ES-202 Program, is a Federal/State cooperative effort that compiles monthly employment data, quarterly wages data, and business identification information from employers subject to State Unemployment Insurance (UI) laws. These data are collected from State Quarterly Contribution Reports (QCRs) submitted to State Workforce Agencies (SWAs). Similar data for Federal Government employees covered by the Unemployment Compensation for Federal Employees (UCFE) Program are also included in each State report. All 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands submit micro-level employment and wages data, supplemented with the names, addresses, and business identification information of these employers to the Bureau of Labor Statistics (BLS). BLS then summarizes these data to produce totals for the Nation, States, Metropolitan Statistical Area (MSA's) and counties. These data are used to create the BLS sampling frame and constitute the longitudinal QCEW data.

The QCEW program is a comprehensive and accurate source of monthly employment and quarterly wages data, by industry, at the national, State, MSA, and county levels. Several States publish QCEW data at the city or town level. The QCEW Report, produced for each calendar quarter, provides a virtual census of nonagricultural employees and their wages, with approximately 49 percent of the workers in agriculture covered as well. As the most complete universe of monthly employment and quarterly wages information by industry and detailed geography, QCEW data are used in evaluating labor trends and major and detailed industry developments, conducting time-series analyses and industry comparisons, and conducting special studies such as analyses of wages by size of establishment and firm.

The QCEW program provides data necessary to both the Employment and Training Administration (ETA) and the States in administering the Employment Security Program. These data accurately reflect the extent of coverage of the State UI laws and are used to measure UI revenues and disbursements; national, State, and local area employment; and total and taxable wages trends. The information is also used in actuarial studies, experience rating determination, maximum benefit level determination, Federal assistance determination, and UI fund solvency. To ensure the continued accuracy of these published economic statistics, the information supplied by the employers must be reviewed and updated periodically.

There are nearly 10.1 million establishments on file with the States. These establishments cover all civilian employers (except interstate railroads) and some agricultural, domestic, and charitable organization employers. BLS intends to continue its review of private sector employers' North American Industry Classification System (NAICS) codes and

geographic codes on a three-year cycle. Government establishments are not reviewed routinely. Each year, approximately one-third of private sector establishments are reviewed and updated, if necessary. Customarily, the BLS-3023 forms, collectively known as Annual Refiling Survey (ARS) forms, have been used in conjunction with the UI tax reporting system in each State. As a result, changes in the industrial and geographical compositions of our economy are captured in a timely manner and reflected in the BLS statistical programs.

This survey is authorized by Federal law 29 U.S.C. 2 and Section 15 of the Wagner-Peyser Act (Attachment A). Although employer cooperation is not required by Federal law, twenty-seven States have laws that make completion of the ARS mandatory. Establishments in the survey are selected across industries using the seventh and eighth digits of the Federal Employer Identification Number (EIN) in order to maintain balanced panels. In year one, units in the range 00-33 are surveyed. In year two, units in the range 34-66 are surveyed. Finally, units in the range 67-99 are surveyed in year three. The range for FY 2018 is 00-33. For establishments that have no EIN on record, selection will be based on a range of digits within the establishment's UI account number. Establishments classified in Public Administration (NAICS Sector 92) and the United States Postal Service (NAICS 491110) are not surveyed. In addition, single establishments classified as private households (NAICS 814110) are not surveyed. Finally, multi-unit establishments classified as Professional Employer Organizations (NAICS 561330) are not surveyed.

On January 17, 2014, President Obama signed into law the Consolidated Appropriations Act, 2014. The Act provided \$592.2 million in funding to the BLS for FY 2014 that began October 1, 2013. This funding level was \$21.6 million below the 2014 President's Budget for the BLS. In order to attain the necessary savings for this funding level and protect core programs, the BLS took steps to achieve the required budget reductions.

The BLS, in coordination with the Department of Labor (DOL) and OMB, curtailed the Quarterly Census of Employment and Wages (QCEW) program through a \$4.8 million budget reduction. This curtailment was accomplished in part by reducing the scope and the frequency of the ARS. To develop a reduction strategy with minimal impact on data quality, an analysis considered how frequently establishments changed their industry, location, and ownership. The analysis looked at these changes over three ARS cycles (nine years) and showed that there were industries that experienced low rates of change. Thus, certain NAICS industries exist that traditionally have low volatility based on factors such as infrastructure, intellectual property, or advanced degrees that make them unlikely candidates for transitioning from one industry to another. Rather than surveying one-third of businesses in these low-change industries every year, the QCEW program surveys one-sixth of these businesses each year, putting them on a six-year cycle. The six-year cycle preserves the ability to identify trends in these industries, while maintaining budget flexibility. Formerly, establishments that were not active for all of the past 12 months were included only if all monthly employment was greater than two in months in which they were active. Due to the cuts, the ARS excluded establishments with

three or fewer employees starting in FY 2015. Nationwide, this has accounted for approximately 160,000 fewer units annually.

The BLS had previously developed three distinct ARS forms for the purpose of verifying and collecting specific information concerning the employer's industrial activity, geographic location, business mailing address, and physical location address.

The **BLS 3023-NVS** form is for employers with a single worksite within a State. Essentially, this form is for employers to verify a NAICS industry description that represents their existing NAICS code assignment. If that description is correct, the employer is asked to confirm the accuracy of the NAICS code. If the description is incorrect, the employer is asked to describe the business activities and the approximate percentage of the revenue or production derived from each activity.

The **BLS 3023-NVM** form is for employers that have multiple worksites within a given State and applies the same verification methods as the BLS 3023-NVS. This was intended to reduce employer burden, in that the company would receive one form for all worksites along with a description of the business activities for each worksite.

The **BLS 3023-NCA** form is used to collect information from those establishments that are in NAICS Code 999999 (Unclassified Establishments). These are establishments for which no information is available regarding their industrial activities. Employers are asked to provide detailed descriptions of their economic activities. Consequently, States can gather information on new business establishments where no information had been available.

The ARS also asks employers to identify new locations in the State. If these employers meet QCEW program reporting criteria, then a Multiple Worksite Report (MWR) is provided to the employer requesting employment and wages for each worksite each quarter (The MWR is a separate OMB-approved survey under OMB Control Number 1220-0134). Thus, the ARS is also used to identify new potential MWR-eligible employers.

To take advantage of more efficient methods and procedures, BLS developed an approach using a one-page letter rather than the aforementioned 3023 forms for ARS solicitation. This letter explains the purpose of the ARS and provides respondents with a unique Web ID and password. Respondents are directed to utilize the BLS online web collection system to verify or to update their geographic and industry information.

For FY 2015, the ARS received OMB approval to send respondents ARS “web letters” in lieu of the traditional ARS forms. The use of web letters makes it less expensive to conduct the ARS. The ARS began by sending some NVS respondents the ARS web letter to gauge response rates to the web letter and to compare them with response rates for the traditional forms. Later mailings were conducted for both the NCA and NVM during FY 2015 and the Bureau continued to utilize web letters for both NCA and NVM in FY 2016. These mailings were all coordinated to maximize outgoing postage discounts.

Based on the response rate success and cost effectiveness of this initiative, the FY 2016 ARS first mailing was conducted using web letters only. Ultimately, BLS conducted the FY 2017 using web letters and emails to respondents exclusively. Examples of the various blank 3023 forms for all States are still available at the BLS public website.

## **2. Use and Users of the Information**

The QCEW data are used by a variety of BLS programs. They serve as the basic source of benchmark information for employment by industry and by size class for the Current Employment Statistics (CES) and the Occupational Employment Statistics (OES) programs. The preliminary (estimated) employment data from these programs could not be benchmarked for accuracy without the QCEW data. The QCEW Report containing employer name and address information serves as a sampling frame for BLS establishment-based surveys, such as the National Compensation Survey (NCS), the Employment Cost Index (ECI), the Injuries, Illness, and Fatalities (IIF) program, the Job Openings and Labor Turnover Survey (JOLTS), and the CES and OES programs. Since the QCEW provides a near universe of businesses, these programs can select a statistically representative sample of the full universe by geography, industry, and size. The employment and wages data from the QCEW program represent the best and most current source of detailed industrial and geographical data used by businesses as well as by public and private research organizations. QCEW data are published within 6 months of the end of the reference quarter. For additional information and background on the QCEW program, please see the excerpt from the BLS Handbook of Methods (Attachment B) which describes the program in more detail. (The BLS Handbook of Methods is also available online at <https://www.bls.gov/opub/hom/cew/home.htm>.)

The QCEW data have also been used to improve the accuracy of other Federal statistical products. Since 1991, BLS has supplied industrial classification codes for "Unclassified" units to the Census Bureau for updating their Business Register. At the direction of OMB, BLS began sharing industry codes, physical location addresses, and other information with the Census Bureau. This BLS/Census Industry Coding Project helps improve statistical applications, such as the Census Business Register (BR), all programs using the Census BR, and the Economic Census and County Business Patterns. By sharing codes and other information, the consistency of BLS and Census products is enhanced, Census costs are reduced, and respondent burden is decreased. In FY 2016, BLS provided Census with information on 4.39 million units where Census was missing or had only partial information.

BLS and the Census Bureau signed a Memorandum of Understanding (MOU) in 2012 to share selected business data on multi-location companies. Both BLS and the Census Bureau compile and maintain censuses of business establishments that contain economic and administrative data for nearly all businesses in the United States. A key aspect of data quality is that businesses include accurate NAICS and geographic classifications.

BLS and the Census Bureau have had some inconsistencies in their data. Both agencies have reviewed each other's business lists and have identified information that can improve the quality and comparability of these data. BLS and the Census Bureau enhance the quality of their data and reduce costs and respondent burden through increased data sharing. Such sharing improves the quality and the reliability of information for multi-location businesses by developing consistent industrial and geographical classifications for these businesses.

The MOU stated that BLS would provide the Census Bureau with multi-location company data from the QCEW program. The Census Bureau provided BLS with data from the 2007 and 2012 Economic Censuses, with updates from the Annual Company Organization Survey, the Annual Survey of Manufactures, and the Service Annual Surveys. With these Census data, BLS is conducting several research projects on the following topics: generating enterprise-level business dynamics data, using detailed product codes to help assess their utility for NAICS coding, and measuring employment and wages for the non-profit sector.

Additionally, BLS has implemented a research project to identify and, where possible, eliminate discrepancies in industrial and geographical classification codes between the Census and the QCEW program. BLS matched multi-establishment locations provided by the Census to the QCEW program by EIN and physical location address with an allowed employment difference of less than 30%. Establishments with NAICS codes that differed at the sector level were eligible for reconciliation if their QCEW employment was greater than 100. In November 2013, BLS regional office economists began independently verifying each establishment's NAICS code by searching company websites and other publicly-available information that could identify the trade name or legal name, location, employment size, and reporting unit description. BLS staff contact these companies directly, if needed, to verify the industrial and geographical information when publicly-available information is insufficient. BLS recommended that the NAICS code be updated by the Census, as well as the QCEW program when necessary. Thus, the Census Bureau uses the QCEW information to improve data quality, reduce costs, and improve operations.

The QCEW program provides data necessary to both the Employment and Training Administration and the SWAs in administering the UI program. The data accurately reflect the extent of coverage of the State UI laws and are used to measure UI revenues; National, State, and local area employment; and total and taxable wages trends. The information is used as input for actuarial studies, determination of experience ratings, maximum benefit levels, and areas needing Federal assistance. It also assists in determining the solvency of UI trust funds.

The Bureau of Economic Analysis of the U.S. Department of Commerce uses QCEW data as a base for developing the wages and salary component of personal income, part of the National Income and Product Accounts. Personal income is instrumental in determining Federal allocation of program grants to State and local governments. QCEW wages accounted for 47.8 percent of total personal income and 94 percent of the wages

and salary component of personal income in 2015. QCEW data also are incorporated into estimates of gross domestic product. The Social Security Administration and State governments also use QCEW data in updating economic assumptions and forecasting trends in their taxable wages base.

BLS has also created a longitudinal database from these QCEW program micro-level data to measure gross job gains and gross job losses. This database, which contains current as well as historical data, uses the establishment-level data from the program to study the labor dynamics of our economy. Without the QCEW data, all openings and closings of worksites as well as expansions and contractions of multi-establishment employers would be unknown. The BLS began publishing these data at the National level in late 2003 on a quarterly basis as the Business Employment Dynamics (BED) data series. Since then, BED has expanded the data to include gross job gains and gross job losses by major industry sectors, age and survival, and firm size-classes as well as by State. The quarterly data include the number and percent of gross jobs gained by opening and expanding establishments, and the number and percent of gross jobs lost by closing and contracting establishments. The data also include the number and percent of establishments that are classified as openings, closings, expansions, and contractions.

The QCEW data are a major input to the Census Bureau's Longitudinal Employer Household Dynamics (LEHD) program. The LEHD uses the QCEW data matched with wage records and other information to provide new economic data. The QCEW data provide the crucial linkage between the wage records and the industry and geography detail that supports this program. Further, the Employer Identification Numbers in the QCEW data allow some linkages across Federal data sets. In this way, improvements in the QCEW program support improvements in the LEHD program.

Finally, businesses and public and private research organizations find the QCEW program one of the best sources of detailed employment and wages statistics. Data users appreciate the detail provided by the QCEW program at the industrial and geographical (county and State) levels. If the ARS were not undertaken, the reliability of data for industrial and occupational employment, hours and earnings, producer prices, productivity, and industry wages data would be adversely affected. All of these are dependent upon accurate industrial coding in the design and maintenance of their samples. Inaccurate industrial coding can also adversely impact payments that businesses and employees receive from contracts that use industrial earnings data for estimating escalating labor costs. Please see the chart (Attachment C) that illustrates the myriad uses of the QCEW program data in more detail.

### **3. Use of Electronic Collection Methods**

BLS constantly pursues a growing number of automated reporting options to reduce employer burden and costs and to take advantage of more efficient methods and procedures. Even given these actions, the mailing of ARS letters remains an important part of the survey. BLS developed and expanded upon the idea of using the services of a private contractor to handle various administrative aspects of the survey. This initiative is

called the Centralized Annual Refiling Survey (CARS). Under CARS, BLS effectively utilizes the commercial advantages related to printing, stuffing, and mailing large volumes of survey letters. The objective of CARS is to reduce costs and State staff time associated with the clerical and administrative portions of the ARS.

In FY 2003, BLS staff began reviewing selected, large multi-worksite national employers rather than surveying them with traditional ARS forms. For the FY 2006 ARS, the central review process was expanded to include employers providing Multiple Worksite Report data to the BLS Electronic Data Interchange (EDI) Center in Chicago. BLS staff conducts the ARS review simultaneously for the EDI Center's large employers. This reduces their burden as well as creates an additional incentive for electronic reporting. Central review reduces postage costs related to sending ARS forms. It also reduces respondent burden, as the selected employers do not have to submit ARS forms. The industry coding and worksite information is reviewed by BLS staff and potential inconsistencies are forwarded to the States for review and correction, if necessary. Finally, central review improves NAICS coding consistency across States for national companies engaged in similar activities. The FY 2017 BLS central review included 593 firms representing over 198,000 establishments and 6.4 million employees.

BLS added another self-reporting option for the ARS. The first web-reporting option, ARSweb, was offered for the NVS during FY 2012. BLS continued collecting the same ARS information as before so there was no significant effect on respondent burden. For FY 2013, there were more than 181,000 ARSweb responses, just under 16% of responses received by States participating in the CARS program. By FY 2016, virtually all NVS responses were submitted via ARSweb – 552,552 web responses out of 557,180 total NVS responses received.

The use of ARSweb provided a clear indication that internet collection could reduce the obvious costs of keying. Beginning in FY 2015, the testing of using email as a prompt promised to reduce postage and printing and other costs. ARSweb started collecting email addresses from respondents in FY 2012. Respondents who reported their NVS on ARSweb in FY 2012 were next eligible for the ARS in FY 2015. During FY 2015, a pilot test was conducted using eligible email addresses. Rather than mailing more costly letters, emails were sent to those respondents who provided their email addresses three years prior. There were 21,097 emails sent to eligible NVS respondents in the first blast. Over 40% of email recipients responded on ARSweb, meaning these responses were collected without incurring the expense of either printed forms or postage costs. There were approximately 2,600 undeliverable responses and approximately 250 email questions to the ARSweb helpdesk resulting from that initial email blast. Follow-up emails were sent to eligible non-respondents prior to the regular second and third NVS mailings. As mentioned earlier, there were approximately 181,000 NVS respondents in FY 2013. Most of them were again eligible for email blasts in FY 2016. Collection and use of email addresses has been expanded to maximize savings.

BLS added another electronic reporting option, NVMweb, for employers with multiple locations within a particular State. NVMweb offers MWRweb respondents the option to

provide their ARS information online while simultaneously supplying their quarterly employment and wages data. Essentially, there are no differences in the information BLS obtains via ARSweb and NVMweb. ARSweb is for single-establishment employers; NVMweb is for multi-establishment employers. BLS tested NVMweb in several States. The full implementation of NVMweb for all MWRweb States occurred in 2013. More than 12,500 employers reported their NVM information online during the first year of NVMweb implementation. In FY 2017, there were approximately 19,500 NVMweb responses collected.

#### **4. Efforts to Identify Duplication**

The Office of Employment and Unemployment Statistics coordinates the ARS activity within the BLS and States and verifies that unnecessary duplication is avoided. In addition, no similar information of this type is available to the BLS or the States.

#### **5. Impact on Small Businesses**

The product and activity information necessary to determine an employer's industry code is readily available in both small and large establishments. The ARS was specifically developed for simplicity of understanding and ease of completion.

Unlike some larger businesses, small businesses are less likely to have more than one worksite. Establishments with 2 or fewer employees were excluded from the ARS beginning in FY 2006 due to a \$1 million budget reduction. Starting in FY 2015, the size exclusion was raised to establishments with 3 or fewer employees. Finally, employers in certain NAICS industries that traditionally had low volatility were put on a six-year cycle that same fiscal year.

However, commencing with the FY 2018 ARS, BLS would like to include establishments with 3 or fewer employees using only email. No letters would be used. The cost-effective email approach would again let BLS obtain information from previously-excluded establishments.

#### **6. Consequences of Less Frequent Conduct of Study**

The QCEW data are reviewed and updated to assure the continued accuracy of the published economic statistics that are produced by the BLS. Until FY 2014, the three-year cycle enabled the information supplied by each business to be reviewed once every three years. A less-frequent review cycle would eventually jeopardize the quality of the data and diminish the capacity of the BLS to produce meaningful statistical estimates. However, certain NAICS industries traditionally have low volatility based on factors such as infrastructure, intellectual property, or advanced degrees that make them unlikely candidates for transitioning to another industry. The QCEW program surveys one-sixth of these businesses on a six-year cycle. The six-year cycle preserves the ability to identify trends in these industries, while maintaining essential budget flexibility.



## **7. Special Circumstances**

There are no special circumstances that would cause this information to be collected in other than the manner specified in 5 CFR 1320.5.

## **8. Federal Register Notice and Comments and Consultation with Persons Outside the Agency**

One comment was received as a result of the Federal Register notice published in 82 FR 33928 on July 21, 2017. The comment noted that the ARS is critical to key components of economic statistics of the Bureau of Economic Analysis. The ARS is the sole source of accurate industrial and geographic information for the States as well as for the Nation as a whole.

The BLS is in constant contact with the SWAs on the administration of the QCEW program, such as:

1. Daily contact between BLS Regional Office and SWA officials.
2. Field visits by BLS Washington and Regional Office staff members to SWA offices.
3. A QCEW Policy Council established by BLS in 2000. The Council is composed of State and BLS staff members that provide ongoing technical expertise and research as well as assist in the prioritization of program enhancements.
4. Periodic meetings with members of the National Association of State Workforce Agencies (NASWA).
5. Consultation with members of the Federal Data Users Advisory Committee (DUAC).

BLS works closely with a number of Federal agencies which use BLS data, including the Regional Income Division, Bureau of Economic Analysis, U.S. Department of Commerce, contact: Mr. John Rusinko, Chief of the Compensation Branch; and the Office of Unemployment Insurance, Employment and Training Administration, U.S. Department of Labor, contact: Ms. Gay Gilbert, Administrator.

Furthermore, BLS has been participating in meetings of the Wiesbaden Group on Business Registers. This international expert group promotes the exchange of new techniques used by the participating countries in their development of universe files and collection of employer data using new alternative strategies. BLS staff also present papers and participate in the International Conference on Establishment Statistics and American Statistical Association conferences where emerging technologies for collecting data from employers and lowering respondent burden are discussed in great detail.

## **9. Payment or Gifts to Respondents**

None.

## **10. Assurance of Confidentiality**

The Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA) safeguards the confidentiality of individually-identifiable information acquired under a pledge of confidentiality for exclusively statistical purposes by controlling access to, and uses made of, such information. CIPSEA includes fines and penalties for any knowing and willful disclosure of individually identifiable information by an officer, employee, or agent of the BLS.

BLS policy on the confidential nature of respondent identifiable information (RII) states that “RII acquired or maintained by the BLS for exclusively statistical purposes and under a pledge of confidentiality shall be treated in a manner that ensures the information will be used only for statistical purposes and will be accessible only to authorized individuals with a need-to-know.”

This policy remains in effect; however, the extent of confidentiality maintained within each State varies in accordance with the laws of each State. For this reason, the statement on the ARS collection instruments make no promise of confidentiality. However, once the QCEW data are furnished by the States to the Bureau, and in the Bureau's possession, the data are considered confidential and are covered by CIPSEA. The BLS considers the maintenance of the confidentiality of data collected under a pledge of confidentiality to be critical to ARS program integrity.

## **11. Justification for Sensitive Questions**

No sensitive questions are asked.

## **12. Estimates of the Hour Burden of the Information Collection**

BLS 3023-(NVS) Employer Respondents for States with Mandatory Reporting:

a. Number of respondents:	357,090
b. Frequency of response:	Annually
c. Estimated time per response:	5 minutes
d. Annual burden:	29,758
e. Estimation of burden:	Based on 2016/4 Quarterly Unemployment Insurance Address Files Record Counts

BLS 3023-(NVS) Employer Respondents for States with Voluntary Reporting:

a. Number of respondents:	338,879
b. Frequency of response:	Annually
c. Estimated time per response:	5 minutes
d. Annual burden:	28,240

e. Estimation of burden: Based on 2016/4 Quarterly  
Unemployment Insurance  
Address Files Record Counts

BLS 3023-(NVM) Employer Respondents for States with Mandatory Reporting:

a. Number of respondents: 7,897  
b. Frequency of response: Annually  
c. Estimated time per response: 15 minutes  
d. Annual burden: 1,974  
e. Estimation of burden: Based on 2016/4 Quarterly  
Unemployment Insurance  
Address Files Record Counts

BLS 3023-(NVM) Employer Respondents for States with Voluntary Reporting:

a. Number of respondents: 10,431  
b. Frequency of response: Annually  
c. Estimated time per response: 15 minutes  
d. Annual burden: 2,608 hours  
e. Estimation of burden: Based on 2016/4 Quarterly  
Unemployment Insurance  
Address Files Record Counts

BLS 3023-(NCA) Employer Respondents for States with Mandatory Reporting:

a. Number of respondents: 163,442  
b. Frequency of response: Annually  
c. Estimated time per response: 10 minutes  
d. Annual burden: 27,240 hours  
e. Estimation of burden: Based on 2016/4 Quarterly  
Unemployment Insurance  
Address Files Record Counts

BLS 3023-(NCA) Employer Respondents for States with Voluntary Reporting:

a. Number of respondents: 120,368  
b. Frequency of response: Annually  
c. Estimated time per response: 10 minutes  
d. Annual burden: 20,061 hours  
e. Estimation of burden: Based on 2016/4 Quarterly  
Unemployment Insurance  
Address Files Record Counts

Estimated FY 2018 total burden hours are 109,881.  
Estimated FY 2018 total annual responses are 998,107.

The estimated cost to the respondents is \$1,937,202. This amount was derived by multiplying the total annual burden hours to complete the form by the wage for a worker in a representative occupation that completes the survey. The wages for Office and Administrative Support occupations was obtained from the BLS National Compensation Survey (NCS), Employer Costs for Employee Compensation program. This rate was \$17.63/hour based on March 2017 NCS data and adjusted for inflation.

Calculation:  $\$17.63 \times 109,881 \text{ hours} = \$1,937,202$

### **13. Estimate of Annual Cost Burden to Respondents**

There are no capital or start-up costs associated with the ARS.

There are no costs to SWAs for collecting information on the ARS above the money funded by the BLS as part of the overall QCEW program.

### **14. Annualized Cost to the Federal Government**

Listed below are the estimated FY 2016 Federal government costs for the QCEW program. Costs associated with other QCEW-related forms previously approved by OMB are included.

Personnel	\$13,000,000
Other	\$13,000,000
SWA funding	<u>\$31,000,000</u>
TOTAL	<u>\$57,000,000</u>

### **15. Changes in Respondent Burden:**

The increase in total hours requested, from 100,296 to 109,881, is due to increased efforts to collect information from more establishments that are in NAICS Code 999999. These are unclassified establishments (NCA) for which there is no information currently available about their industrial activities. Online collection has made it easier to pursue data from unclassified establishments and more NCA contacts are attempted than in past years. Thus, the combined number of NVS, NVM, and NCA responses and total burden hours requested have increased.

### **16. Publication Plans**

BLS will not publish or release the confidential employment and wages micro-data. The BLS reports from the QCEW program as well as the BLS website ([www.bls.gov](http://www.bls.gov)) make use of information from the ARS:

- (A) Quarterly news releases on county and National employment and wages with industry detail are usually issued 6 months after the reference quarter.

- (B) Quarterly news releases on Business Employment Dynamics at the National and State level are published approximately 7 months after the reference quarter. Currently, the quarterly news release covers National private sector data job creation and destruction by industry and establishment and firm size class, State total private data, and data on business births and deaths.
- (C) An annual comprehensive bulletin is published about 9 months after the reference year. This web-only publication, Employment and Wages Online, is the successor to the annual print bulletin, Employment and Wages. In March 2010, the 2008 edition of the Employment and Wages bulletin was the final issued on paper.
- (D) Quarterly employment and wages data with industry detail at the National, State, MSA, and county levels are released on the BLS website 6 months after the reference quarter.
- (E) Annual employment and wages data with industry detail at the National, State, MSA, and county levels are released on the BLS website 6 months after the reference year.
- (F) SWAs issue quarterly and/or annual reports on QCEW data in an aggregate form.

#### **17. Request Not to Display Expiration Date**

A waiver had been granted in the past allowing BLS not to print the expiration date. The waiver was necessary to reduce the significant costs associated with printing new forms because of a change in the expiration date. As described previously, BLS relies to a much greater extent than ever on one-page web letters and emails rather than 3023 forms for ARS solicitation. Respondents utilize the BLS online web collection system to submit information. However, examples of blank 3023 ARS forms for all States are posted on the BLS public website. Those forms will display the current expiration date as they do now. Thus, BLS no longer requests a waiver for electronic ARS forms.

#### **18. Exception to Certification Statement**

There are no exceptions to the “Certification for Paperwork Reduction Act.”

Although twenty-seven States have laws that mandate completion of the ARS, employer cooperation is not required by Federal law. However, all of the ARS web letters and email messages request a response within 14 days of receipt. This is not a requirement to respond within 14 days. Mentioning 14 days is more likely to result in a prompt response. Thus, it is intended as a recommendation rather than as a threat of any penalty for not replying within that time period.