

Department of Commerce
U.S. Census Bureau
OMB Information Collection Request
Public Employment & Payroll Forms
(Forms E-1, E-2, E-3, E-4, E-5, E-6, E-7, E-8, E-9, E-10)
OMB Control Number 0607-0452

Part A. Justification

1. Necessity of Information Collection

The Census of Governments: Employment and its related program, the Annual Survey of Public Employment & Payroll, provide a rich source of data on state and local government employment and payroll in the United States. Data have been collected annually since 1957. A census is conducted every five years (years ending in ‘2’ and ‘7’). A sample of state and local governments is used to collect data in the intervening years, with a new sample selected every five years (years ending in ‘4’ and ‘9’). The survey provides state and local government data on full-time and part-time employment, part-time hours worked, full-time equivalent employment, and payroll statistics by governmental function (e.g., elementary and secondary education, higher education, police protection, fire protection, financial administration, central staff services, judicial and legal, highways, public welfare, etc.).

Title 13, U.S.C., Section 161 requires the Secretary of Commerce to conduct a census of governments every fifth year. Title 13, U.S.C., Section 182 allows the Secretary to conduct annual surveys in other years.

Currently, we are requesting approval to conduct the 2019, 2020 and 2021 Annual Survey of Public Employment & Payroll. Data are collected for all agencies, departments, and institutions of the fifty states and a sample of approximately 10,500 local governments (counties, municipalities, townships, special districts and school districts) for the survey years.

Over the past several years, the programs covered by this request have moved towards eliminating collection by paper form as much as possible. Throughout this submission, the word “form” refers to the digital version of the form accessed by respondents using our online collection instrument rather than a paper form. To display form content, attached to this submission are the worksheets made available to respondents via download to assist in filling out their respective form online (Attachment 1).

The forms for collecting the data are described below. There are ten survey forms used to collect data on government employment, pay, and hours. Since there are many different types and sizes of governments, each form is tailored to the unique characteristics of the type and size of government or government agency to be surveyed.

- E-1 State Agencies
State agencies, excluding state colleges and universities
- E-2 State Institutions of Higher Education
State institutions of higher education colleges and universities
- E-3 Special Districts and Local Agencies
Dependent agencies of local governments and single function special district governments
- E-4 Municipalities, Counties, Townships
County governments, municipalities, and township governments with population of 1,000 or more
- E-5 Municipalities and Townships
Shortened version of the E-4 form for municipalities and townships with a population of < 1,000
- E-6 School Systems
Local government operated institutions of education, elementary & secondary education and/or college & other postsecondary education
- E-7 Major Special Districts and Agencies
Multifunction dependent agencies and fire protection agencies for local governments, and multifunction special district governments
- E-8 Elementary and Secondary Education
Local government operated institutions of elementary and secondary education
- E-9 Police Protection Agencies
State and local government police protection agencies
- E-10 College and Other Postsecondary Education
Local government operated institutions of higher education

The type of employment and payroll data to be collected by the public employment & payroll program for the 2019, 2020 and 2021 Annual Survey of Public Employment & Payroll are identical to the data collected in recent annual surveys. The 2019, 2020 and 2021 samples support estimates of total local government employment and payrolls by state by government function (e.g., elementary and secondary education, higher education, police protection, fire protection, etc.).

Data are also gathered using means outside of a traditional form canvass. The Census Bureau also collects data via central collection arrangements with state and local governments.

We will continue to use the current questionnaires with modifications to the forms to eliminate the collection of information deemed no longer necessary for tabulation of the derived statistics of full-time equivalents. In addressing respondents' questions, we recognized their inability to accurately provide the information and their lack of access to the information. Through consultations with the Bureau of Economic Analysis (BEA), the primary user of this statistic, it was determined their needs will be met through the implementation of a new estimation methodology. Analyst research required for data review of these responses will be reduced and resources will be shifted to the review and processing of other published data items.

Any effect on the burden will not be material and is reflected in the current range of time per response presently provided to respondents.

This modification was not included in the initial notice for public comment published February 26, 2018 as consultations with BEA had not yet concluded.

2. Needs and Uses

The Census of Governments, Survey of Public Employment & Payroll and its related program, the Annual Survey of Public Employment & Payroll, provide data on state and local government employment and payroll in the United States. Census Bureau staff apply a standard set of criteria while classifying government employment activity in order to provide a complete and uniform set of data on the employment activities of governments in the United States.

Statistics compiled from data gathered using these forms are used in several important Federal government programs. Economists at BEA use these statistics for developing the National Income and Product Accounts. According to the Chief Economist of BEA, "BEA uses the information from these surveys to prepare the national income and product accounts (NIPA), regional accounts, and industry accounts. The data obtained from these forms are critical to BEA for maintaining reliable estimates. Specifically, BEA uses national, state, local, and type-of-government aggregate data by function for full-time and part-time employees, payroll, and number of part-time hours worked to prepare estimates of functional payrolls for the public sector of the gross domestic product (GDP). BEA also uses these data to prepare estimates of state and local government compensation of employees in both the annual and benchmark input-output accounts." (see Attachment 2)

BEA also uses the Census of Governments and the Annual Survey of Public Employment & Payroll to derive state-level estimates of the employment and wages and salaries of students and their spouses who are employed by public institutions of higher education in which the

students are enrolled. There is no other national or state source for information on student workers at state institutions of higher education.

The employment data are used for two other data collection efforts currently conducted by the Census Bureau. The Medical Expenditures Panel Survey (MEPS) collects data for the Department of Health and Human Services (HHS) on health plans offered to state and local government employees. The MEPS sample of public employees is drawn from the Census of Governments, Survey of Public Employment & Payroll component universe and employment data from the survey are used in statistical methods for creating national estimates on health plans. The Criminal Justice Employment and Expenditure program (CJEE), sponsored by the Bureau of Justice Statistics (BJS), uses employment data to provide employee and payroll statistics on police protection and correctional activities.

State and local government officials use these employment data to analyze and assess individual government labor force and wage levels.

Public interest groups of many types produce analyses of public sector activities using these data, in addition to, user organizations representing state and local government include the Council of State Governments, the National Conference of State Legislatures, Government Research Association, U.S. Conference of Mayors, National Association of Counties, National League of Cities, and the National Association of Towns and Townships. Other data users, such as, the National School Boards Association and the National Sheriffs Association also use these data for more specific analyses of government activities.

Both public and private universities' instructors, researchers, and students and a variety of private sector organizations and individuals, for example, the Brookings Institution and the Nelson A. Rockefeller Institute of Government, use these employment and payroll data.

Information quality is an integral part of the pre-dissemination review of the information disseminated by the Census Bureau (fully described in the Census Bureau's Information Quality Guidelines). Information quality is also integral to the information collections conducted by the Census Bureau and is incorporated into the clearance process required by the Paperwork Reduction Act.

3. Use of Information Technology

The Census Bureau is using information technology to reduce respondent burden via electronic submission. All form types can be completed on the Internet. Central collection contacts are able to upload their electronic data files through the Census Bureau's Centurion web instrument (Attachment 1). Instructions for reporting on the Internet are included in the original mailing as well as the follow-up mailing.

Beginning with the 2016 Annual Survey of Public Employment & Payroll, the Census Bureau moved towards 100% electronic collection to reduce cost and increase efficiency. As a result, we estimate that at least 97 percent of respondents will utilize the Census Bureau's

web instrument or will submit electronic data via a central collection agreement. This estimate is based on responses for the 2016 sample-based survey.

4. Efforts to Identify Duplication

The Public Employment & Payroll program does not duplicate any other data collection. Research and consultation with public interest groups and representatives of other Federal agencies, such as BLS and National Center for Education Statistics, ensures the absence of duplication.

5. Minimizing Burden

The Census Bureau pursues central collection arrangements to obtain necessary data and reduce respondent burden whenever possible. Through these arrangements, a single contact agrees to collect and submit the data for their government and its dependent agencies as one central report. The Census Bureau continues to pursue electronic reporting arrangements with other governments. Through these arrangements, government contacts provide an electronic file in a mutually agreeable format and work with the Census Bureau to create the crosswalk for functional breakouts of the data. Respondents spend less time in future years finding and classifying employees into our functional categories.

The Census Bureau has central collection agreements with 46 states and four state governments on behalf of their local school systems. This eliminates the need to mail canvass approximately 3,716 state agencies each year, along with 158 school systems in a sample year.

Census Bureau staff provide assistance to governments that express difficulty in completing forms due to limited resources or understanding of how to accomplish this task. In some cases, Census Bureau staff compile the data from payroll files submitted by the government.

6. Consequences of Less Frequent Collection

The Census Bureau's ability to produce reliable information on government employment and pay would be significantly impeded if data were collected less frequently. Government employment and payrolls are key indicators of state and local government economic activity, providing the most current information about expenditures by government function in this sector of the economy. These data are also the basis for additional surveys conducted on an annual basis such as the MEPS and CJEE.

7. Special Circumstances

There are no special circumstances relating to this request.

8. Consultations Outside the Agency

The notice inviting comment on plans to submit this request was published in the Federal Register (Vol. 83 No. 38) on February 26, 2018 on pages 8241 and 8242. We received no comments in response to the notice. However, we did receive a letter of support from BEA (Attachment 2). We thank BEA for its continued support for this collection.

The Census Bureau conducts regular meetings with BEA to discuss information about several surveys including the Survey of Public Employment & Payroll. BEA uses the national, state, local, and type-of-government aggregate data by function on full-time and part-time employees, payroll, and number of part-time hours worked to prepare estimates of functional payrolls for the public sector of the GDP.

The Census Bureau maintains contact with public interest groups representing state and local governments and groups of public officials and academic organizations. These groups all use and disseminate data collected in the census and annual surveys.

All opinions of individuals or groups were provided separately and informally, and not for the purposes of reaching a consensus. They were not provided as a part of and did not constitute any Federal Advisory Committee proceedings.

9. Paying Respondents

Respondents are not paid for providing their data.

10. Assurance of Confidentiality

The survey does not request any confidential data. These data are subject to provisions of Title 13, United States Code, Section 9(b) exempting data that are customarily provided in public records from rules of confidentiality. All forms contain information regarding this exemption of confidentiality and the voluntary nature of the survey. The 2019 survey forms are included in Attachment 1.

11. Justification for Sensitive Questions

There are no sensitive questions in this data collection program.

12. Estimate of Burden Hours

The 16,357 respondents to the 2019, 2020 and 2021 Annual Survey of Public Employment & Payroll are comprised of all 50 state governments and a sample of local governments in the United States.

The following table provides an estimate of the average number of respondents and burden hours for the individual forms in the 2019, 2020 and 2021 Annual Survey of Public Employment & Payroll. Table 1 figures are based on the 2016 Annual Survey of Public Employment & Payroll.

Table 1: 2019, 2020 and 2021 Annual Survey of Public Employment & Payroll Average Number of Respondents Counts And Burden Hours			
Form Number	Estimated Number of Responses	Average Minutes per Response	Estimated Total Hours
E-1	1,475	0.33	487
E-2	711	1.00	711
E-3	4,839	0.33	1,597
E-4	4,626	1.50	6,939
E-5	314	1.25	393
E-6	1,315	0.75	986
E-7	1,153	0.33	380
E-8	1,407	0.75	1,055
E-9	188	0.50	94
E-10	262	0.75	197
Central Collection from State Agencies, Large Local Gov and Schools			
State Agencies	46	15.00	690
Large Local Governments	17	1.50	26
Schools	4	15.00	60
Total	16,357		13,614

The annual burden hours and estimated number of respondents in the Federal Register Notice dated February 26, 2018 differs due to a slight refinement of the estimated number of respondents.

13. Estimate of Cost Burden

We do not expect respondents to incur any costs other than that of their response time. The information requested is of the type and scope normally carried in government financial documents and no special hardware or accounting software or system is necessary to provide answers to this information collection. Therefore, respondents are not expected to incur any capital and start-up costs or system maintenance costs in responding. Further, purchasing of outside accounting or information collection services, if performed by the respondent, is part of usual and customary business practices and not specifically required for this information collection.

14. Cost to Federal Government

The estimated cost to the Federal Government to conduct the 2019 Annual Survey of Public Employment & Payroll is \$1.9 million. The activities covered in the cost include data collection, printing and postage mail costs, non-response follow up, data processing and review, imputation, estimation, publication, equipment, overhead and associated support staff. The cost of conducting this survey for the 2020 and 2021 surveys will approximate these costs.

15. Reason for Change in Burden

The current OMB inventory was based on two annual survey years (averaging ~13,591 burden hours) and one Census year (averaging ~81,562 burden hours). The new OMB burden statement is based on three annual survey years (averaging ~13,614 burden hours); thereby, decreasing the average burden hours for the three-year clearance period being requested.

16. Project Schedule

Table 3: 2019 Annual Survey of Public Employment & Payroll Timetable (Note: Other annual survey years follow a similar schedule)		
D	Date or Period (Month/Year)	Activity
	12/2018	Complete design of forms
	01/2019	Complete web instrument testing
	03/2019	Di Initial request for forms
	05/2019 - 07/2020	Di Follow-up requests for forms
	05/2019 - 08/2020	Micro and macro level data review
	By 05/2020	Pr Produce initial national estimates for BEA's annual NIPA revision
	By 09/2020	R Release 2019 Annual Survey of Public Employment & Payroll report, tables and individual unit files.

17. Request to Not Display Expiration Date

The expiration date will be displayed on all forms.

18. Exceptions to the Certification

There are no exceptions.