

**SUPPORTING STATEMENT FOR
Characteristics of the Insured Unemployed
OMB CONTROL NO. 1205-0009**

The Department of Labor (Department), Employment and Training Administration (ETA) is requesting a revision to OMB 1205-0009, Characteristics of the Insured Unemployed. Revisions were done to the reporting instructions, form, and burden.

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 ETA 203, Characteristics of the Insured Unemployed, is a once-a-month snapshot of the demographic composition of the claimant population in the Unemployment Insurance (UI) program. It is based in each state on the universe or a sample of those who file a claim for unemployment compensation in the week containing the 19th day of the month, which reflects unemployment experienced during the week containing the 12th day. This corresponds with the Current Population Survey sample week used by the Bureau of Labor Statistics (BLS). Aggregate data is collected on the items sex and/or gender, race or ethnicity, age, industry, and occupation. The Department wishes to revise the report to expand the fields of existing data as well as add items to capture primary language, disability status, level of educational attainment, and base period wages to support analysis of the adequacy of unemployment compensation as an income replacement or economic stabilizer.

This report serves a variety of socio-economic needs at both the state and National offices because it provides the only demographic information on the insured unemployed. Existing government surveys like the Current Population Survey only capture UI receipt once per year (in the March/income supplement) and the sample sizes for this supplement are too small to draw meaningful conclusions about state-level UI benefits receipt, or disparate access within states among particular socio-demographic groups. This report supports efforts to promote employment opportunities, improve utilization of manpower resources, evaluate the UI program and project workloads and budgets. Though always necessary, this report becomes particularly useful during economic downturns when interest from policy makers and the public in the composition of the insured unemployed is particularly high.

Social Security Act section 303(a)(6) authorizes this data collection. Section 303(a)(1) of the Social Security Act (SSA) provides that state UC laws must have “methods of administration” that are “reasonably calculated” to ensure full payment of unemployment compensation “when due” in order to receive a UI administrative grant. Section 303(a)(6) of the Social Security Act specifies that the Secretary of Labor will not certify State unemployment compensation programs to receive administrative grants unless the State’s law includes provision for: “...making of such reports...as the Secretary of Labor may from time to time require, and compliance with such

provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports.”

State UI agencies, as recipients, are subject to the non-discrimination and equal opportunity requirements in 29 CFR Part 37. As such, they are required to “collect such data and maintain such records . . . as the Director [of the Department’s Civil Rights Center, or CRC] finds necessary to determine whether the recipient has complied or is complying with the nondiscrimination and equal opportunity provisions of [the Workforce Innovation and Opportunity Act (WIOA)] or [29 CFR part 37].” 29 CFR 37.37(b)(1). In particular, each recipient “must record the race/ethnicity, sex, age, and where known, disability status of every applicant, registrant, eligible applicant/registant, participant, terminee, applicant for employment, and employee.” 29 CFR 37.37(b)(2). The Department interprets this regulatory provision as requiring “recipients” to ask individuals in the listed categories for their demographic data, but not requiring such individuals to provide the data, except where necessary to determine eligibility for a particular program or activity. “The system and format in which the records and data are kept must be designed to allow the Governor and CRC to conduct statistical or other quantifiable data analyses to verify the “recipient’s” compliance with section 188 of WIOA and [29 CFR part 37].” 29 CFR 37.37(b)(1).

Under 29 CFR 37.25 and 29 CFR 37.54, state UI program administrators must conduct statistical or other quantifiable data analyses of demographic records and data, to ensure their UI programs and activities are operating in a manner that is not violating the nondiscrimination requirements as part of the workforce system. These analyses must, at a minimum, include analyses by race or ethnicity, sex and/or gender, age, and disability status, to identify any statistically significant differences in the success rates of claimants who are members of these demographic categories. States are required to analyze claims-based data across these demographics across the adjudication and appeals processes. Compliance with the requirements under the Workforce Investment Act (WIA), and later WIOA as well as Section 303(a)(6) and (7) of the Social Security Act provide the Department latitude to obtain state-based data to review state programs. State UI agencies, as recipients of UI program funds, are subject to the non-discrimination and equal opportunity requirements in 29 CFR Part 37. The requirements to collect, maintain, and analyze data are part of state UI agencies’ commitment to review for and mitigate possible discrimination based on either disparate treatment or disparate impact. All requests for such information must inform the claimant that the provision of such information is voluntary, and that such information may not be used as determinants of eligibility for participation in the unemployment insurance program. All demographic data, including disability, “must be stored in a manner that ensures confidentiality, and must be used only for the purposes of recordkeeping and reporting; determining eligibility, where appropriate . . .; or other use authorized by law.” 29 CFR 37.37(b)(2). The system for maintenance of demographic data, if stored separately, must be cross-referenced to individual records, in the event that it is necessary for DOL or other authorized agencies to identify the race or ethnicity, sex and/or gender, etc., of a particular claimant in the course of a complaint investigation or compliance review.

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 Department's role in monitoring state performance requires that states collect, maintain, and analyze sufficient data to determine whether states have methods of administration reasonably calculated to ensure full payment of compensation when due to all unemployed workers, including workers in populations that may be underserved or marginalized and struggle to establish, maintain, and protect their right to UI benefits. In particular, adding information about the primary language spoken to regular reporting can help states anticipate needed translation services in their state. Collecting robust demographic information from claimants and enabling data disaggregation and analysis are used for program planning, evaluation, and reporting purposes. An evidence-based approach will help states to focus on the most effective solutions, helping to make the effort sustainable and scalable for the Department to fully understand where inequities may exist in the UI program and take steps to mitigate those issues. Data generated through the ETA 203 report is collected electronically through a secure reporting mechanism between States and the Department.

The information is collected by state agencies based on a universe or a sample of those filing claims in the week containing the 19th of the month. The data is used by the Department of Labor for actuarial estimating, research, and general information. The information is also used by those outside the Department such as Congressional staff, Congressional Budget Office, Federal Reserve Banks, Office of Management and Budget, and university and private researchers. If this data collection were not conducted, there would be no information on the demographics of unemployment insurance claimants for any of the uses cited above.

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.

The ETA 203 report is highly computerized in states and electronically submitted to the National Office. States are encouraged to use appropriate automation to reduce burden and opportunity for errors.

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 A.2 above.

There is no known duplication in collecting this information. The Benefit Accuracy Measurement (BAM) program (OMB No. 1205-0245) receives information on the demographics of a limited sample of recipients of unemployment compensation. The sample size is too limited to give reliable information on the state level on different demographics. The ETA 203 report contains the demographics of the insured unemployed; some will become recipients and some

will not. The demographics of the insured unemployed are often compared to the demographics of the total unemployed so that the limited BAM population data is not an appropriate alternative to the enhanced demographic data to be collected in this revised ETA 203 report.

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

There is no impact on small businesses or 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.

The Department requires that States complete the ETA 203 report monthly and there will be no change to the frequency of this transmission. The collection is consistent with 5 CFR 1320.5. If the expanded demographic data is not collected, the program would be more restricted in identifying and addressing potential discriminatory operational or equal opportunity impacts.

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

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**

- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

No such circumstances exist. This request is consistent with 5 CFR 1320.5.

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.

In accordance with the Paperwork Reduction Act of 1995, the public was allowed 60 days to comment through the *Federal Register* notice posted on May 9, 2024 (89 FR 39649). The Department received one comment from researchers at the California Policy Lab concerning the timing of changing the report to align with the U.S. Census Bureau, adding demographic data collection to extension and short-term unemployment compensation program reports, and collection marital status or household composition information. The Department responded that it could not guarantee the timing of the changes of the report would align with other government agencies or departments due to and provided resources including links to other data sets and information for estimation and analysis for the commenters to use for research on extension/short term unemployment compensation programs as well as marital status and household composition.

ETA consulted with three internal and external representatives to the agency involved in requesting Characteristics of the Insured Unemployed report data. The consultation asked three state workforce agency contacts for their feedback on burden estimates for information collection activities associated with requesting Characteristics of the Insured Unemployed report data. None of the three representatives had any changes or comments on the estimated burden, so ETA is proceeding with the initial estimates published in the 60-day notice. The individuals/organizations consulted about the information collection are listed in the table below.

Contact	Organization	Email	Phone
---------	--------------	-------	-------

Contact	Organization	Email	Phone
Lisa James	Ohio Department of Job and Family Services	Lisa.James@jfs.ohio.gov	614-466-0947
Shea Cook	Oklahoma Employment Security Commission	shea.cook@oesc.ok.gov	405-557-7294

9. Explain any decision to provide any payments or gifts to respondents, other than remuneration of contractors or grantees.

This program does not involve payments to respondents.

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

The ETA 203 reports contain no personal or confidential data. The state level cross tabulations of the data collected does not allow for the identification of any specific individual claimant or business entity information.

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.

Not applicable.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate**

categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.

Estimated Annualized Respondent Cost and Hour Burden

Activity	No. of Respondents	No. of Responses per Respondent	Total Responses	Average Burden (Hours)	Total Burden (Hours)	Hourly Wage Rate	Total Burden Cost
ETA 203	53	12	636	0.67	426	\$53	\$22,578

*Source: The hourly rate is computed by dividing the FY 2025 national average PS/PB annual salary for state staff as provided for through the distribution of state UI administrative grants (<https://www.dol.gov/agencies/eta/advisories/uipl-19-24>) by the average number of hours worked in a year (1,711). For FY 2025, this calculation is: $\$90,282 / 1,711 = \53 .

**The number of respondents includes all 50 states, as well as the District of Columbia, Puerto Rico, and the US Virgin Islands.

ETA believes underlying records associated with reported data are byproducts of states' administration of the UI system and would be maintained by States as a routine business matter. When someone files for UI, the State collects a considerable amount of information about the claimant as part of the intake and eligibility review process that would exist in the absence of this collection.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

- **The cost estimate should be split into two components: (a) a total capital and start up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of service component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**

- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

This reporting, and all other reporting for Unemployment Insurance, is paid for by the monies that the Department allocates to states for annual UI program administration. There are no breakouts for specific reports.

14. Provide estimates of the annualized cost 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), any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 into a single table.

The Department provides States with the computer equipment necessary for retrieving, manipulating, storing, and reporting data.

Although no staff is required to process this report, ETA has budgeted \$920,436.80 for FY 25 to operate and maintain the Unemployment Insurance Required Reports system. Including the subject ICR, this reporting 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 \$30,681.22 (\$920,436.80 system cost/30 information collections).

15. Explain the reasons for any program changes or adjustments.

The Department seeks these updates to reporting instructions to maintain consistency across Federal Government Agencies (e.g., Office of Management and Budget, Department of State and U.S. Census Bureau). Existing reporting instructions and revised definitions/instructions are included as Attachment A and the reasoning and justification for the changes to the reporting instructions to follow the latest OMB guidance are included as Attachment B. An updated report cell map for edit checks and IT programming purposes is included as Attachment C.

16. For collections of information whose results will be published, outline plans for tabulations, 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 Department publishes unemployment insurance program data, including data provided in the ETA 203, at <https://oui.doleta.gov/unemploy/DataDashboard.asp> and at <https://oui.doleta.gov/unemploy/chariu.asp>.

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.

The Department displays approved information collections in the ETA Handbook No. 401.

18. Explain each exception to the certification statement.

There are no exceptions.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS.

This collection of information does not employ statistical methodologies.