

SUPPORTING STATEMENT
Income and Eligibility Verification System (IEVS) Confidentiality
OMB Control No. 1205-0238

The Department of Labor (DOL), Employment and Training Administration (ETA) is submitting a revision to the Income and Eligibility Verification System (IEVS) Confidentiality information collection request.

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.

ETA regulates disclosure requirements, under the Confidentiality Rule, concerning the confidentiality and disclosure of information in state unemployment compensation records. The current regulations set forth statutory disclosure requirements in Title III of the Social Security Act (SSA), the Federal Unemployment Tax Act (FUTA), and the Wagner-Peyser Act. They also establish safeguards for information disclosed under those provisions, as directed by sections 303(a)(1), (d), (e), and (h) of the SSA. (The disclosure requirements are contained in sections: 303(a)(7), (c)(1), (d), (e), (f), (h), and (i), SSA; section 3304(a)(16) of FUTA; and section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b(b).)

These regulations expand upon those governing the IEVS, a system of information sharing primarily among state and local agencies administering several Federally assisted programs that was established by the Deficit Reduction Act of 1984 (P.L. 98-369). The IEVS is required under section 1137 (and section 303(f)) of the SSA and the establishment of safeguards associated with IEVS is required by section 1137(a)(5)(b), SSA. Agencies participating in the IEVS are required to exchange information to the extent it is useful and productive in verifying eligibility and benefit amounts.

Finally, these regulations set forth the Secretary's interpretation of section 303(a)(1), SSA, with regard to the general rule of confidentiality of information in state unemployment compensation records, and the general requirements, with respect to disclosures unrelated to unemployment compensation program administration, for safeguards (including acknowledgments and releases for optional informed consent disclosures (and audits thereof)), notifications of claimants and employers, and agreements. These are necessary to ensure the responsible use of confidential unemployment compensation program information.

Requirements of the Deficit Reduction Act of 1984 that necessitated the development of the Confidentiality Rule include:

- As a condition of eligibility for participating programs, applicants and recipients must furnish their Social Security Numbers (SSN). States must use the SSNs to associate the individual's records. There is no burden associated with this information requirement in this Information Collection Request (ICR) as states must collect SSNs for income tax and other purposes without regard to IEVS requirements;

- Effective September 30, 1988, employers were required to make quarterly wage reports to a state agency unless the state had an alternative system that was effective and timely. Section 1137, SSA, benefits the Department of Health and Human Services (HHS) for child support enforcement and eligibility for Temporary Assistance for Needy Families (TANF), among other reasons. As a result, states would have to file quarterly wage reports even if those reports did not secondarily benefit the unemployment compensation (UC) program.;
- Adequate safeguards must be in effect to assure that (1) data exchanged by state agencies is made available only to the extent necessary to assist in the administrative needs of the program receiving information, (2) Internal Revenue Service (IRS) data is exchanged only with agencies authorized to receive information, and (3) data is adequately protected against unauthorized disclosure for other purposes;
- All applicants and recipients must be notified at the time of application and periodically thereafter that data available through the system will be requested and used. There is no additional burden to states in providing this information as states already provide a notice on paper claim forms and on their Website; and
- Accounting systems must be used to ensure that programs providing data receive appropriate reimbursement from the programs requesting and using the data.

An interdepartmental task force chaired by HHS was established to develop and publish regulations implementing the Deficit Reduction Act. Each Department published regulations under a joint preamble supplemented to the extent necessary. Accordingly, this justification covers only the recordkeeping requirements within the Department of Labor's jurisdiction in regulations at 20 CFR Part 603 Subpart C, Mandatory Disclosure for Income and Eligibility Verification System (IEVS). The records maintained by the states include the data sharing agreements on disclosing confidential information described in both Q1 and Q2 below, in addition to the information obtained from SSA that is needed in verifying eligibility and benefit amounts.

This information collection request does not include the disclosure of the records maintained under this ICR, the associated payments of costs of the disclosures, or the acknowledgement required if a disclosure is made. This ICR also does not include obtaining the Wage Rate crossmatch because that activity is completed in the normal course of business. Additional explanations are included in Q12 below.

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.

As reflected in these regulations, many public officials utilize wage and claim information from the state unemployment compensation agencies to verify eligibility and benefits amounts payable under their respective programs. State unemployment compensation agencies themselves conduct a within-agency cross match of quarterly wage information and claim information for the same quarter to detect unreported or improperly reported earnings. In addition, under Subpart C of this regulation, state agencies are expected to use information available from the Social Security Administration to the extent it is needed in verifying eligibility and benefit amounts.

This information is needed because the receipt and amount of pensions may affect the amount of unemployment compensation payable to an individual.

States are required to use data sharing agreements when making disclosures to provide some assurance that recipients of disclosed information follow safeguards protecting confidentiality, to provide an enforcement mechanism against any recipients that breach those safeguards, and to show that they have complied with this rule. When opting to make a disclosure on the basis of informed consent, states are required to audit the recipients of information to ensure that such recipients actually have a written release on file from each individual or employer to whom the disclosed information pertains. Such recipients must obtain releases to show informed consent.

State UC agencies are required to provide notice to both employers and claimants about the uses to which information they provide IEVS. ETA does not, under these regulations, receive any of this collected information.

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 benefit cross match identified above is an automated match. All 53 states use the IEVS system to cross match benefit information to help determine eligibility. Agencies participating in the IEVS are required to exchange information to the extent it is useful and productive in verifying eligibility and benefit amounts.

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.

The recordkeeping requirements in Subsection C of 20 CFR Part 603 are only enforced by the Department of Labor. Social Security benefit information states are required to obtain is available only from the Social Security Administration and the individual applicant. ETA is not aware of any other similar information available which could be utilized in place of quarterly wage information or Social Security benefit information. States are not required to obtain a separate agreement, written release, or notification form to satisfy the requirements in this rule. Existing state notification forms, releases, and agreements can be modified to meet the Federal requirements in this rule.

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

The rule applies to states, which are not small entities or businesses.

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 the wage and income information is not shared as required by the Deficit Reduction Act of 1984, then the agencies participating in the IEVS may be in danger of overpaying benefits and the collection of child support payments would be negatively impacted. If states do not maintain the required records, state UC agencies would be unable to fulfil the requirement to disclose upon request the data sharing agreements and claim information pursuant to 20 CFR part 603.

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.**

Collection 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

This request is to re-authorize OMB 1205-0238. DOL, in accordance with the Paperwork Reduction Act of 1995, requested public comment through the Federal Register Notice posted on June 16, 2025 (90 FR 25376). The public comment period ended on August 15, 2025, DOL received no comments from the public.

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

No payments or gifts are provided to respondents other than remuneration of contractors and grantees.

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

This regulation provides no assurance of confidentiality to respondents, which include state agencies and informed consent requesters, concerning the information required by this rule to be collected (such as agreements, informed consent releases, acknowledgments, required audits). However, this rule sets forth the requirements for keeping information private in state unemployment compensation records. Also, to the extent that Social Security information is used, state unemployment compensation agencies will have to abide by the Social Security Administration's rules on disclosure of 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.

This rule does not include information collection requirements relating to questions of a sensitive nature.

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.**

(a) Recordkeeping - Agreements and Contracts = 3,604

The number of agreements in place for data matching varies from state to state but is generally unchanged over time. A longstanding study by the National Governors' Association of 47 state agencies indicated that states have an average of 17 agreements. There is burden associated with such agreements in terms of state agency record keeping. The estimated time involved is, on average, 4 hours per year per contract, producing an estimated 3,604 burden hours.

53 states x 17 contracts x 4 hours = 3,604 hours

Cost: 3,604 x \$61.11/hr* = \$220,240.44

* \$61.11 per hour, throughout this document, is the average hourly salary of state unemployment compensation personnel, taken from information supplied by states to ETA. The hourly rate is computed by dividing the FY 2025 national average annual salary for state staff as provided for through the distribution of state UI administrative grants.

(b) Obtaining Information from Other Agencies for Recordkeeping

1. Social Security Administration = 6,222 hours

Under section 1137(a)(2) of the SSA and Subpart C of these regulations, state unemployment compensation agencies must obtain information from the Social Security Administration, or another agency already having access to Social Security data, that is needed in verifying eligibility and benefit amounts. This is largely an automated process. Inquiry is limited to those cases where the individual cannot provide documentation of pension amounts or there is a question regarding receipt of a pension. According to the most recent data available, *7.0% of the claims filed by the 5,333,073 people who became eligible for Unemployment Insurance during calendar year 2024 (most recent available completed year) were submitted by applicants who were 65 years of age and over,

or roughly at retirement age. It is estimated that no more than 373,316 claimants will need to be checked with the SSA.

*Sources: Data used for obtaining the percentage and amount of claimants 65 years and over can be found on the following links: 5,333,073 eligible for UI in 2024 (<https://oui.doleta.gov/unemploy/claimssum/5159report.asp>)
~7.0% were 65 and older in for calendar year 2024
(<https://oui.doleta.gov/unemploy/chariu.asp>)

Each case checked should take an average of one minute, which includes cases involving no further follow-up action and those requiring subsequent interview and issuance of a written determination. The time required for a written determination would be funded through normal nonmonetary determination expenditures. The total burden activity is estimated at 6,222 hours.

Total Burden:

373,316 transactions x 1 minute per transaction = 373,316 burden minutes
373,316 minutes * (1 hour/60 min) = 6,221.93 (6,222 rounded) burden hours

Cost: 6,222 x \$61.11*/hr = \$380,226.42

* \$61.11 per hour, throughout this document, is the average hourly salary of state unemployment compensation personnel, taken from information supplied by states to ETA. The hourly rate is computed by dividing the FY 2024 national average annual salary for state staff as provided for through the distribution of state UI administrative grants.

2. Wage Record Cross match

All states maintain or have access to wage record information. They already do or will conduct quarterly cross matches between benefit payments and wages paid as part of regular operations. Therefore, under 5 CFR 1320.3(b)(3), the burden for the states is not claimed.

(c) Disclosure of Information

A number of sections in these regulations implement provisions in the SSA, the FUTA, and the Wagner-Peyser Act that require state unemployment compensation agencies to disclose information to other state or Federal agencies upon request as part of the IEVS. The agencies requesting information under those provisions will address the Paperwork Burden since those agencies are the initiators of the information collection burden. State UI agencies must request payment for information disclosed that does not serve UI purposes (section 603.8 of the Confidentiality Rule) and is not accounted for in this ICR.

(d) Payment of Costs

Several sections of this rule require states to obtain reimbursement for the costs associated with making optional or required disclosures of information. In order to be able to request and receive such reimbursement, states obviously must keep track of the costs associated with making disclosures. The Agency believes states would undertake this activity to support reimbursement requests that would typically be a part of regular program operations to mitigate costs; therefore, no additional burden is claimed for this requirement (see 5 CFR 1320.3(b)(3)).

(e) Acknowledgment

Section 603.9(b)(1)(v)(B) of this rule requires a state agency that chooses to make an optional disclosure to require the recipient agency or entity to sign an acknowledgment that all personnel having access to the disclosed information have been instructed of the safeguards required by this rule and will adhere to the state's or state agency's confidentiality requirements and procedures, and agree to report any infraction of these rules to the state agency fully and promptly. Because this acknowledgment may be part of the agreement described in paragraph (a), above, no additional burden is claimed for this requirement (the burden is already claimed in paragraph (a)).

Estimated Annualized Respondent Cost and Hour Burden

Category	Number of Respondents	Frequency	Total Annual Responses	Time Per Response (Hours)	Total Annual Burden (Hours)	Hourly Rate*	Total Annual Estimated Burden
Recordkeeping - Agreements & Contracts	53	17	901	4	3,604	\$61.11	\$220,24
Obtaining Information from Agencies for Recordkeeping	53	7,044	373,332	0.017	6,347Rounded)	\$61.11	\$387,86
Unduplicated Totals	53	Varies	374,233	Varies	9,951	\$61.11	\$608,105

Source: The hourly rate is computed by dividing the FY 2026 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-15-25>) by the average number of hours worked in a year (1,711). For FY 2026, this calculation is: \$104.553 / 1,711 = \$61.11.

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.**

No cost burden is reported as this process is paid for by monies allocated to states for administration. The activities are part of the process for nonmonetary determinations. There are no breakouts for specific reports. This is a well-established reporting system and there are no start-up costs.

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.

There are no costs to the Federal government.

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

There are slight changes to both the burden hours and the monetized value of the time burden. These changes are due to updated data becoming available after the request for public comment was published in June 2025. The slight change in burden costs to contractors is due to increases in staffing costs. The slight change in burden hours is due to a decrease in system usage in the new data set. The changes in burden are not statistically significant and do not reflect any changes in agency discretion or policy.

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.

There are no plans to publish data relating to this activity.

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.

This request is not seeking approval not to display the expiration date for OMB approval of the information collection.

18. Explain each exception to the certification statement.

There are no exceptions to the certification statement.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS.

This collection does not employ statistical methods.