

SUPPORTING STATEMENT FOR NATIONAL WORKER SURVEY

OMB CONTROL NO. 1290-0NEW

This is a new 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.

As required under the Paperwork Reduction Act (PRA), the Chief Evaluation Office (CEO) at the U.S. Department of Labor (DOL) is seeking approval from the Office of Management and Budget (OMB) for a nationally representative survey of workers to estimate the prevalence of non-compliance with the Fair Labor Standards Act (FLSA) (29 USC 206).

This survey collects data to inform the work of the Wage and Hour Division (WHD) of DOL, to ensure that it provides compliance assistance services to the employers who most need them and is thus operational in nature. The FLSA mandates WHD enforce minimum wage and overtime laws. Furthermore, WHD has limited resources to conduct investigations and limited information to conduct investigations effectively and efficiently. The information collected in this survey allows DOL/WHD to enforce FLSA and to make most efficient use of limited government resources to conduct investigations.

The FLSA establishes national standards on minimum wages, the payment rate of overtime work, employer recordkeeping, and sets limitations on youth employment. Generally, covered employees must be paid an hourly wage of \$7.25 and 1.5 times their regular wage rate for hours worked above 40 in a workweek.¹ Bona fide independent contractors who, as a matter of economic reality, are not economically dependent on an employer for work are not covered by the FLSA. In addition, the FLSA exempts certain executive, administrative, and professional employees. Currently, these employees must be paid a salary of at least \$684 per week and must meet specified tests as to the nature of their duties to be eligible for these exemptions.² The FLSA also exempts some computer-related employees who are paid on a salaried or fee basis or, if compensated on an hourly basis, at a rate not less than \$27.63 an hour. Finally, the statute exempts outside salespersons, who make sales or obtain orders and are customarily and regularly engaged away from the employer's place of business.³

¹ If the employee receives more than \$30 a month in tips, the employer may include those tips as part of the minimum wage owed that employee, but the employee must still receive at least \$2.13 per hour from the employer regardless of tipped earnings.

² DOL issued a new rule that raises the salary threshold for exemption to \$1,128 per week effective January 1, 2025. Given that the rule is facing legal challenges, we propose that the current data collection use the \$684 threshold. Basing the eligibility criteria on the new rule could lead to overestimates of potential violations if the new rule is not consistently applied. However, we will reevaluate the decision and may file an OMB amendment if necessary to change the eligibility criteria.
<https://www.dol.gov/agencies/whd/overtime/salary-levels>

³ Apprentices and unpaid student interns are also exempt from the Act as long as they are the “primary beneficiary” of their work, which is educational in nature and does not displace other covered employees. Finally, the FLSA exempts employees of certain small newspapers, seamen employed on foreign vessels, employees engaged in fishing operations, employees engaged in newspaper delivery, some farmworkers, casual babysitters, and persons employed as companions to the elderly or infirm (Code of Federal Regulations, 2022).

The WHD in DOL promotes compliance with the FLSA through a balance of strategies, including investigations of non-compliance, dissemination of compliance information and tools, and strategic outreach to employers and employees. WHD investigates allegations of FLSA violations and also initiates investigations in certain industries that have demonstrated histories of non-compliance and that employ large numbers of low-wage workers who are more likely to be subject to a minimum wage or overtime violation.⁴ These agency-initiated sector-based investigations in high-priority industries have typically been based on the analyses of non-compliance in industries that employ workers who are less likely to file complaints. In fiscal year (FY) 2019, nearly two-thirds (64%) of WHD FLSA investigations occurred in response to complaints, while the remaining 36 percent were investigations initiated by WHD as part of its strategic enforcement goals.⁵ Ideally, agency-initiated investigations would complement complaint-driven investigations by uncovering the most severe of the unreported FLSA violations. However, the data and resources available to identify industry sectors that have a high likelihood of possible wage and hour violations are limited. To be effective, this approach must be informed by reliable and valid data so that WHD has a firm evidence basis for making decisions about where to dedicate investigatory resources.

Given WHD's limited resources to investigate all potential cases of wage violations, it is important to have national data on prevalence across industries and worker subpopulations to allow WHD to prioritize resources and achieve the greatest impact on compliance. This data collection will consist of a nationally representative survey of FLSA nonexempt workers using addressed-based sampling (ABS) with oversamples of workers in 10 industries that employ the largest numbers of workers whose wages are lower than the national average using respondent-driven sampling (RDS).

CEO undertakes a learning agenda process each year to identify Departmental priorities for program evaluations. This evaluation was prioritized as part of that process in FY 2016. Division H, Title I, section 107 of Public Law 114-113, the "Consolidated Appropriations Act, 2016" authorizes the Secretary of Labor to reserve not more than 0.75 percent from special budget accounts for transfer to and use by the DOL's CEO for departmental program evaluation. Further, 29 USC 3224a (1), authorizes the Secretary of Labor to conduct ongoing evaluation of programs and activities to improve the management and effectiveness of these programs.

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.

DOL plans to compile an analytical research report on the findings and results of the survey. The report will analyze the data from the survey to: (1) produce prevalence estimates for non-compliance with FLSA's wage and overtime protections; (2) understand differences in the nature of violations by employer and worker characteristics; and (3) examine the relative weight of job, employer, and worker characteristics. The information collected from the survey will help the DOL's efforts to develop the most effective strategies for promoting employer compliance with the FLSA and for tailoring outreach and education efforts to both industry sectors and workers.

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

⁴Dolfin, S., Maxwell, N., Gould-Werth, A., Yanez, A., Deutsch, J., and Hendrix, L. (2020). *Compliance Evaluation Strategies Literature and Database Review*. Department of Labor. https://www.dol.gov/sites/dolgov/files/OASP/evaluation/pdf/WHD_ComplianceStrategies_LiteratureReview_Oct2020.pdf

⁵U.S. Government Accountability Office (GAO) (2020 December). *Fair Labor Standards Act: Tracking additional complaint data could improve DOL's enforcement* (GAO-21-13). Report to Congressional Requesters. <https://www.gao.gov/assets/gao-21-13.pdf>

decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.

In the ABS sample, households will be mailed a letter inviting an eligible individual to complete a web survey. Each participant will be provided the URL and a unique PIN to access the survey in the letter. ABS respondents will be given a choice to receive electronic invitations via email or text to forward to other eligible individuals who they would like to recruit.

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 duplication with other data collection efforts. No current national data set exists on the range of potential violations of the FLSA. There are no other surveys of a large, random sample of individuals or households that ask questions required to measure the prevalence of FLSA violations.

Sector-based investigations have typically been based on the analyses of industries with a history of FLSA violations that employ workers who are less likely to file complaints. However, a limitation of using compliance action information is that investigations are often triggered by complaints alleging violations; therefore, investigated employers would not necessarily be representative of all employers. The extent of FLSA violations is unknown and must be estimated through surveys.

A review of relevant research and national surveys indicates that there are no other surveys of a large, random sample of households that ask questions specifically needed to measure FLSA violations. National labor market surveys do not contain the information needed to estimate violations. The Current Population Survey (CPS) has been used most often to study minimum wage violations.⁶ However, there are limitations to using the CPS to measure minimum wage violations. Most notably, the CPS earnings include “overtime, tips, and commissions,” making it difficult to know the base wage, which should include tips and commissions but not overtime. This is likely to lead to underestimates of minimum wage violations or the need to make assumptions about the proportion of earnings that is overtime, tips, and commissions. More importantly, it is impossible to estimate overtime violations because the amount of overtime cannot be isolated from tips and commissions, and there are no questions in the CPS about off-the-clock work, unpaid rest breaks, illegal deductions, employer retaliation for reporting FLSA violations or cooperating with WHD investigations, and other topics *required* to understand violations and the reasons for violations. These “indirect violations” are important for understanding the reasons that minimum wage and overtime violations occur in specific industries and for educating workers about the FLSA. The CPS also does not collect detailed information on job duties needed to determine whether an employee is exempt from the FLSA.

Broken Laws, Unprotected Workers, a study funded by the Ford Foundation, the John Randolph Haynes and Dora Haynes Foundation, the Joyce Foundation, and the Russell Sage Foundation, surveyed frontline workers in low-wage industries in three cities: Chicago, Los Angeles, and New York.⁷ The study used RDS to include a broader range of low-wage workers than is found in national, probability-based studies,

⁶Cooper, D., and Kroeger, T. (2017 May 10). Employers steal billions from workers’ paychecks each year: Survey data show millions of workers are paid less than the minimum wage, at significant cost to taxpayers and state economies. Economic Policy Institute. <https://www.epi.org/publication/employers-steal-billions-from-workers-paychecks-each-year/>; Eastern Research Group Inc. (ERG) (2014). The social and economic effects of wage violations: Estimates for California and New York (Contract number DOLU139634375). Department of Labor. <https://www.dol.gov/sites/dolgov/files/OASP/legacy/files/WageViolationsReportDecember2014.pdf>; Galvin, D., Round, J., and Fine, J. (2020). A roadmap for strategic enforcement: Complaints and compliance with San Francisco’s minimum wage. Center for Innovation in Worker Organization. https://smlr.rutgers.edu/sites/default/files/Documents/Centers/CIWO/20_0828_sanfrancisco_study.pdf

⁷Bernhardt, A., Milkman, R., Heckathorn, R., Theodore, N., Auer, M., DeFilippis, J., Gonzalez, A.L., Narro, V., Perelshteyn, J., Polson, D., and Spiller, M. (2009). *Broken laws, unprotected workers: Violations of employment and labor laws in America’s cities*. National Employment Law Project (NELP) Report. <https://s27147.pcdn.co/wp-content/uploads/2015/03/BrokenLawsReport2009.pdf>

including unauthorized immigrants and off-the-books workers. Also, the survey instrument contained detailed questions about earnings, pay type, and hours worked that allow for a more detailed assessment of violations. For example, the survey asked respondents to report the hours worked each day for the past week so that the researchers could determine whether they were owed weekly or daily overtime. However, the fact that the study was conducted in specific industries in three cities limits the generalizability of the findings.

Given WHD's limited resources to investigate all potential cases of FLSA violations, it is important to have nationally representative data on prevalence across industries and worker subpopulations to allow WHD to prioritize resources and achieve the greatest impact on compliance.

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

This collection of information does not impact small businesses or other small entities.

6. Describe the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If the proposed data collection is not accomplished, DOL will not have a nationally representative data set by which it can best direct its compliance and outreach efforts. This may result in less efficient allocation of resources for compliance and outreach activities and may give rise to undetected instances of non-compliance with the law. The strategic use of resources is paramount in ensuring that the agency meets its Congressionally-mandated mission in a manner that is both cost-effective and responsible. Ongoing and uncorrected FLSA violations can cause workers to fall below the poverty line, which in turn will cost taxpayers money by increasing reliance on public assistance.⁸ Continued violations by non-compliant employers creates competitive disadvantages for those employers that follow the FLSA's requirements. FLSA non-compliance can also be costly to state and local economies and drive lower wages in affected industries. Current data about the prevalence and severity of FLSA violations is necessary for Federal policymakers to identify, correct, and prevent systemic patterns of FLSA non-compliance.

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;**

⁸ Cooper and Kroeger (2017)

CEO requests to use the race and ethnicity questions with minimum categories only and examples. As the data will be examined at the industry level, any analysis by race and/or ethnicity that used the detailed categories would result in sample sizes that are too small to yield precise estimates.

- **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.**

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.

Federal Register Notice and Comments

In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13 and Office of Management and Budget Regulations at 5 CFR Part 1320), DOL published a notice on August 8, 2024 in the *Federal Register*, Volume 89, Number 153, pages 64960-64961 (89 FR 64960) announcing the agency's intent to request and OMB review of information collection activities. The notice provided a 60-day period for public comments. A copy of this notice is included in this package (see Attachment C). No public comments were received.

Consultations Outside the Agency

DOL convened a technical working group (TWG) to advise on the study, and members of the TWG are listed below. The objectives of convening a TWG were to provide input on the research objectives and survey instrument, review the technical soundness of the sampling design including the RDS, and confirm the planned analyses. The TWG members and their areas of expertise as described below:

Name	Title	Organization	Expertise
Krista Gile	Professor of Mathematics	University of Massachusetts	Methods for studying hard-to-reach populations including RDS, link tracing, and statistical analysis of social networks
Joy Kim	Associate	Rutgers University	Low-wage work and nonstandard

	Professor of Social Work		employment; job qualities of direct care workforce; low wage labor markets, policy analysis
Ruth Milkman	Distinguished Professor of Sociology	City University of New York (CUNY) Graduate Center and School of Labor and Urban Studies	Wage theft, unionization trends, and co-principal investigator of the <i>Broken Laws, Unprotected Workers</i> study
Daniel Schneider	Malcolm Wiener Professor of Social Policy	Kennedy School, Harvard University	Co-Director of the Shift Project on work, work schedules, and labor policy on frontline workers
Aaron Sojourner	Senior Economist	W.E. Upjohn Institute for Employment Research	Wage inequality and labor rights violations

The study team convened the TWG in July 2023 to review the survey design and advise on how the study can provide information that the DOL, policymakers, and WHD enforcement agents can use. The study team convened again the TWG in November 2023 to review the survey instrument. The TWG provided additional feedback on the survey instrument in January 2024. The study team plans to convene the TWG again before the data analysis and public release of the final report.

An external consultant, Kenneth Dau-Schmidt, Willard and Margaret Carr Professor of Labor and Employment Law at the University of Indiana Bloomington, provided consultation on the survey instrument.

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

CEO is providing a payment for participation which includes a \$1 prepaid incentive, \$40 for completing the survey, and \$20 for each eligible individual that a respondent recruits to complete the survey. CEO is requesting the use of pre-paid (pre-survey) and post-participation (survey completion) incentives to increase survey response rates and reduce non-response bias for the ABS sample survey of nonexempt workers. The use of incentives is supported by a number of studies. As has been documented elsewhere,⁹ it is increasingly difficult to achieve high response rates in surveys. Providing survey participants with a monetary incentive significantly reduces non-response bias and improves survey representativeness.¹⁰ Additionally, incentives improve survey response rates and therefore the numbers of surveys completed. Having an adequate number of completed surveys is essential to obtaining reliable estimates, especially for subgroups of workers. Incentives are an essential component of multi-pronged approaches to minimize non-response bias, especially in studies with hard-to-reach, low-income households.¹¹ Incentives reduce efforts to locate hard-to-reach study participants and lower overall survey costs and time to achieve completion rates without affecting data quality.¹²

⁹ Krieger, N., LeBlanc, M., Waterman, P. D., Reisner, S. L., Testa, C., and Chen, J. T. (2023). Decreasing survey response rates in the time of COVID-19: implications for analyses of population health and health inequities. *American Journal of Public Health*, 113(6):667-670, <https://doi.org/10.2105/AJPH.2023.307267>

¹⁰ Singer E. (2002). The use of incentives to reduce non-response in household surveys in: Groves R, Dillman D, Eltinge J, Little R (eds.) *Survey Non Response*. New York: Wiley, pp 163-177; James T. (1996). Results of wave 1 incentive experiment in the 1996 survey of income and program participation. *Proceedings of the Survey Research Section, American Statistical Association*, 834-839; Groves R, Fowler F, Couper M, Lepkowski J, Singer E. (2009) in: *Survey methodology*. John Wiley & Sons, pp 205-206; Singer E and Ye C. (2013). The use and effectiveness of incentives in surveys. *Annals of the American Academy of Political and Social Science*, 645(1):112-141, <http://www.jstor.org/stable/23479084>

¹¹ Bonevski B., Randell M., Paul C., Chapman K., Twyman L., Bryant J., Brozek K., and Hughes, C. (2014). Reaching the hard-to-reach: a systematic review of strategies for improving health and medical research with socially disadvantaged groups. *BMC Medical Research Methodology* 14:42, <https://doi.org/10.1186/1471-2288-14-42>

There has been extensive research on the relative effectiveness of different incentive amounts. Higher incentive amounts increase response rates, although the relationship between incentive amounts and response rates is not linear.¹³ This means that the marginal increase in response rate decreases as incentive amounts increase. For example, Mercer et al. found that while response rates increased with higher incentive amounts, the effect tapered off at about \$20 (in 2012 dollars).¹⁴ Cantor et al. (2008) obtained similar results.¹⁵ However, some of these studies are quite old and incentive amounts have increased for several federal surveys. The incentive amounts for which we seek approval are in line with other recent federal surveys that have offered incentive amounts of more than \$20 including the National Survey of Family Growth (\$60),¹⁶ the National Longitudinal Survey of Youth (\$70),¹⁷ the Survey of Consumer Finances (\$75),¹⁸ and the National Survey on Drug Use and Health (\$30).¹⁹

A 2012 experiment conducted for DOL's National Evaluation of the Trade Adjustment Assistance Program found that incentives of \$50 and \$75 resulted in significantly higher response rate than an incentive of \$25. However, the \$50 incentive was more cost effective than the \$75 incentive. We believe that the incentive of \$40 strikes a good balance between encouraging cooperation and the efficient use of project resources.

Other literature documents the effectiveness of prepaid incentives.²⁰ A review by Cantor, O'Hare, and O'Connor²¹ of incentive experiments in telephone surveys found consistently significant effects for pre-paid incentives of \$1 to \$5, with increases in response rate of 2.2 to 12.1 percentage points.²² In a meta-analysis of 40 studies, Messer and Dillman²³ found that offering a \$5 pre-incentive yielded significant ($p \leq .01$) increase in response rates to multimode surveys.

For the RDS sample of workers in 10 industries, we request to use a dual-incentive structure in which recruiters receive \$20 for each eligible recruit who completes the survey (secondary incentive), and recruits receive \$40 for completing the survey (primary incentive). A dual incentive structure is common in studies that use RDS.²⁴ A recent review of web-based RDS studies concluded that a lack of monetary

¹² Dillman, D. (2000). *Mail and Internet Surveys: The Tailored Design Method, 2nd Edition*. John Wiley & Sons: New York; Singer, E. (2006). "Introduction: Nonresponse Bias in Household Surveys," *Public Opinion Quarterly*, 70(5): 637-645, <https://www.jstor.org/stable/4124219>

¹³ Mercer, A., Caporaso, A., Cantor, D., and Townsend, R. (2015). How much gets you how much? Monetary incentives and response rates in household surveys. *Public Opinion Quarterly*, 79(1), 105–129, <https://doi.org/10.1093/poq/nfu059>

¹⁴ Mercer et al., (2015).

¹⁵ Cantor, D., O'Hare, B., and O'Connor, K. (2008). The use of monetary incentives to reduce non-response in random digit dial telephone surveys. In *Advances in Telephone Survey Methodology*, eds. James M. Lepkowski, Clyde Tucker, J. Michael Brick, Edith de Leeuw, Lilli Japac, Paul J. Lavrakas, Michael W. Link, and Roberta L. Sangster, 471-98. New York: Wiley.

¹⁶ Chandra, A. (6 March 2024) "Update on the National Survey of Family Growth." Presentation to the National Center for Health Statistics Board of Scientific Counselors Meeting. https://stacks.cdc.gov/view/cdc/154734/cdc_154734_DS1.pdf

¹⁷ Rothstein, D. (2019). *Innovations in incentives in the NLS*. U.S. Bureau of Labor Statistics.

https://www.bls.gov/cex/research_papers/pdf/innovations-in-incentives-in-the-nls-rothstein.pdf

¹⁸ Bachtell, K. (2021). *A tale of two approaches: Incentive escalation strategies for the 2019 Survey of Consumer Finances*. U.S. Census Bureau. https://www.census.gov/fedcas/cfc2021/pdf/7A_Bachtell.pdf

¹⁹ Curriivan, D., Smith, T., Fretchel, P., Harter, R., Jewett, C., Rumsey, A., Mae Cooper, P., and Hoenig, J. (2024). Respondent Incentives and the National Survey on Drug Use and Health. Paper presented at the American Association of Public Opinion Research: Atlanta, GA.

²⁰ Singer, E., van Hoewyk, J., and Maher, M. P. (2000). Experiments with incentives in telephone surveys. *Public Opinion Quarterly*, 64, 171–188, <https://doi.org/10.1086/317761>; and Singer, E., Groves, R. M., and Corning, A. D. (1999). Differential incentives: Beliefs about practices, perceptions of equity, and effects on survey participation. *Public Opinion Quarterly*, 63:251–260, <https://www.jstor.org/stable/2991257>

²¹ Cantor, et al., (2008).

²² Cantor, et al., (2008).

²³ Messer, B. and Dillman, D. (2011). Surveying the general public over the internet using address-based sampling and mail contact procedures. *Public Opinion Quarterly*, 64:171-188, <https://doi.org/10.1093/poq/nfr021>

²⁴ Helms, Y.B., Hamdiui, N., Kretzschmar, M.E.E., Rocha, L.E.C., van Steenberg, J.E., Bengtsson, L., Thorson, A., Timen, A., and Stein, M.L. (2021). Applications and recruitment performance of web-based respondent-driven sampling: Scoping review. *Journal of Medical Internet Research*, 23(1):e17564, <https://doi.org/10.2196/17564>

incentives is related to poor recruitment performance, with studies that did not offer monetary incentives having low percentages of recruiters who successfully recruited and fewer waves.²⁵ For example, one study of men who have sex with men in Vietnam included smaller incentives in the pilot than in the main study, and examined the impact of incentive size on recruitment. They found that although recruitment died out after 5 waves, the main study with the higher incentive have improved recruitment performance: 85 participants were recruited in the main study versus only 25 in the pilot (both studies included 15 seeds).²⁶ These findings are consistent with the body of research showing that monetary incentives increase survey response rates. We thus suggest that recruitment incentives are particularly important to sustain recruitment, get completed surveys, and generate accurate industry estimates.

However, there is less consensus about the amount of the recruitment incentive in RDS. Recent web-based RDS studies have provided recruitment incentives ranging from \$10 to \$50 with several studies offering \$10, \$15, or \$20.²⁷ One difficulty about determining the recruitment incentive amount in RDS is that, if the incentive amount is too high, noneligible persons may be encouraged to respond to questions inaccurately to be part of the eligible population in order to enroll in the study and get the incentive.²⁸ On the other hand, if the incentive amount is too low, recruitment may be slow and possibly attractive to only lower socio-economic members of the population.²⁹ We believe that a \$20 recruitment incentive is a good balance between these two considerations.

The next design consideration is incentive format (i.e., mailed vs. electronic). Many RDS studies provide electronic gift cards as incentives.³⁰ Receiving an electronic gift card soon after completing the survey, as opposed to waiting for a mailed gift card, may lend legitimacy to the study and increase respondents' willingness to recruit others (i.e., actually forwarding the e-coupons to potential recruits). In formative research conducted with 29 nonexempt workers mostly in the 10 industries that are the focus of the RDS (OMB Control Number 1290-0043), several workers said that they would be more likely to recruit others if the incentive for completing the survey was provided immediately than if they had to wait for it to arrive in the mail. Although electronic incentives may increase the success of RDS, they make fraud detection more difficult because only an email address is required to provide the incentive, and a fraudster could easily create multiple email addresses to receive multiple incentives. In contrast, mailed incentives require asking respondents for a mailing address, which allows the researchers to check for requests to

²⁵ Helms et al., (2021)

²⁶ Bengtsson L., Lu X., Nguyen Q.C., Camitz M., Hoang N.L., Nguyen T.A., Liljeros F., and Thorson A. (2012). Implementation of web-based respondent-driven sampling among men who have sex with men in Vietnam. *PLoS One*. 7(11):e49417, <https://doi.org/10.1371/journal.pone.0049417>

²⁷ Wejnert C., Heckathorn D.D. (2008). Web-based network sampling. *Sociological Methods & Research*, 37(1):105–134, <https://doi.org/10.1177/0049124108318333>; Sadasivam R.S., Cutrona S.L., Luger T.M., Volz E., Kinney R., Rao S.R., Allison J.J., Houston T.K. (2017). Share2Quit: online social network peer marketing of tobacco cessation systems. *Nicotine Tob Res*, 19(3):314–323, <https://doi.org/10.1093/ntr/ntw187>; Oesterle S., Epstein M., Haggerty K.P., and Moreno M.A. (2018). Using Facebook to recruit parents to participate in a family program to prevent teen drug use. *Prev Sci*. 19(4):559–569, <https://doi.org/10.1007/s11121-017-0844-7>; Bauermeister J.A., Zimmerman M.A., Johns M.M., Glowacki P., Stoddard S., and Volz E. (2012). Innovative recruitment using online networks: lessons learned from an online study of alcohol and other drug use utilizing a web-based, respondent-driven sampling (webRDS) strategy. *J Stud Alcohol Drugs*, 73(5):834–8, <https://doi.org/10.15288/jsad.2012.73.834>; Hildebrand J., Burns S., Zhao Y., Lobo R., Howat P., Allsop S., et al. (2015). Potential and challenges in collecting social and behavioral data on adolescent alcohol norms: comparing respondent-driven sampling and web-based respondent-driven sampling. *J Med Internet Res*, 17(12):e285, <https://doi.org/10.2196/jmir.4762>

²⁸ Johnston, L. G., and Sabin, K. (2010). Sampling Hard-to-Reach Populations with Respondent Driven Sampling. *Methodological Innovations Online*, 5(2), 38-48. <https://doi.org/10.4256/mio.2010.0017>

²⁹ Kendall, C., Kerr, L.R.F.S., Gondim, R. C., Werneck, G. L., Macena, R.H.M., Pontes, M.K., Johnston, L.G., Sabin, K. and McFarland, W. (2008). An empirical comparison of respondent-driven sampling, time location sampling, and snowball sampling for behavioral surveillance in men who have sex with men, Fortaleza, Brazil. *AIDS & Behavior*, 12:S97-S104, <https://doi.org/10.1007/s10461-008-9390-4>

³⁰ Helms et al., (2021)

mail multiple gift cards to the same address.³¹ However, as noted above, mailing incentives may be less effective for encouraging recruitment.

Given the uncertainty about the implications of different payment methods for the success of recruitment in web-based RDS, CEO plans to include an experiment to compare recruitment rates by incentives in the form of a mailed gift card versus electronic E-gift card. This experiment is described in detail in Section B.4.

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

Respondents will be informed of the voluntary nature of the survey in the materials mailed to households (Attachment B) and in the web survey landing page, stating that their responses will be reported in aggregate form only and no reported information will identify any individuals. They will also be informed that their email address, phone number, and/or mailing address will be used to send their incentives only and will not be shared with DOL or anyone else. Additionally, all project staff will be instructed in the privacy requirements of the data and will be required to sign statements affirming their obligation to maintain privacy.

Key identifiers (name, telephone number, email address, and mailing address) will be removed from the survey data prior to analysis so that it is not possible to link responses to individual respondents. Once the survey is completed, all private data on each respondent will be destroyed. Any data used for analysis by the contractor or DOL will be completely de-identified. The entire database will be encrypted so that any data stored will be further protected. Finally, access to any data with identifying information will be limited only to contractor staff directly working on the survey.

All analyses will be presented at the aggregate level, and it will not be possible to link specific responses to individual respondents in any way. The database delivered to DOL will not include any identifying information such as names, addresses, telephone numbers, or email addresses, or any other information that might lead to identification of respondents.

The contractor has received approval from its IRB. All contractor staff working on the study have completed training in human subjects protection.

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.

Some respondents may find some of the questions sensitive. The questions about whether a respondent was not paid or retaliated against by their employer may be deemed sensitive. In addition, respondents are asked to provide information about their jobs, which includes the industry in which they work, the total number (reported in ranges) of workers at the firm/company, and the zip code. (If respondents skip the question about the employer's zip code, they are asked about the state.) This information is asked to examine compliance with state employment laws and to link to Census data on community characteristics, industry mix, and employment trends. The National Worker Survey is voluntary, and no individuals are required to respond to the survey. In addition, respondents may skip most questions in the

³¹ Teitcher J.E., Bocking W.O., Bauermeister J.A., Hoefler C.J., Miner M.H., Klitzman R.L. (2015). Detecting, preventing, and responding to "fraudsters" in internet research: ethics and tradeoffs. *J Law Med Ethics*, 43(1):116-33, <https://doi.org/10.1111/jlme.12200>

survey. Respondents are informed of the voluntary nature of the survey in the mailed materials, as well as in the actual web survey.

DOL conducted cognitive tests on the worker survey with 40 respondents (OMB Control Number 1290-0043). These purposively selected respondents included workers who were salaried and hourly and in different industries to gauge how the questions would be understood by different workers. The cognitive testing did not reveal any concerns from respondents about answering the survey questions. The survey included in this package incorporates the revisions based on the cognitive tests.

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

The survey annual hour burden contains two components: a screener and an extended survey. For the ABS sample, eligible households must contain at least one person who is currently working and nonexempt. To determine eligibility, the survey includes a five-minute screener. It is estimated that 3,373 households will respond to the screener (annualized figure) and that, of those, 1,349 will be eligible and go on to complete the extended survey. This will be a 25-minute survey. The ABS sample includes nonexempt workers, and therefore cost estimates provided here use the average hourly rate for workers ages 18 or older, not self-employed, and not working in management or professional occupations likely to be exempt.³² This estimate may be somewhat higher due to the inclusion of some higher paid workers who are exempt from the FLSA.

For the RDS sample, it is estimated that 1,481 individuals will complete the five-minute screener (annualized figure) and that, of those, 1,333 will be eligible and go on to complete the extended survey. We expect a 90% or higher eligibility because the recruiters are asked to recruit people who work in the types of jobs that are eligible for the survey and more likely to be nonexempt. Because the RDS sample includes workers in 10 industries, the federal minimum wage was used to determine the costs. For the nonresponse follow-up survey, it is estimated that 373 individuals will complete the 2-minute survey (annualized figure).³³ Because the 373 includes workers from both the ABS sample of all nonexempt workers and the RDS sample of workers in 10 industries, the average of the hourly rate for nonexempt workers and minimum wage were used to determine the costs.

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 ^{1,2,3}	Monetized Value of Time
ABS Sample Screener Only (English, Chinese, Spanish, and Vietnamese)	2,024	1	2,024	5/60	169	\$17.00	\$2,873
ABS Sample Screener and Extended Survey (English, Chinese, Spanish, and Vietnamese)	1,349	1	1,349	30/60	675	\$17.00	\$11,475
RDS Sample Screener Only (English, Chinese,	148	1	148	5/60	12	\$7.25	\$87

³² This calculation is based on the CPS.

³³ We assume that 50% of the ABS and RDS respondents request e-coupons and that, of these, 70% have at least one e-coupon that is not redeemed and 40% respond to the follow-up survey.

Spanish, and Vietnamese)							
RDS Sample Screener and Extended Survey (English, Chinese, Spanish, and Vietnamese)	1,333	1	1,333	30/60	667	\$7.25	\$4,836
Non-response Follow-up Survey (English, Chinese, Spanish, and Vietnamese)	373	1	373	2/60	12	\$12.13	\$146
Total	5,227	-	5,227		1,535		\$19,417

¹Hourly wage reflects the median national hourly wage for workers at least 18 years who were not self-employed and did not work in managerial or professional occupations that were likely to be exempt based on calculations using the CPS.

²Hourly wage reflects the federal minimum wage.

³Hourly wage reflects the average of the hourly wage for workers at least 18 years who were not self-employed and did not work in managerial or professional occupations and the federal minimum wage.

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).

There are no capital/start-up or ongoing operation/maintenance costs to respondents or recordkeepers associated with this information collection.

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 estimated annualized cost to the Federal government is **\$895,328**. The estimated total cost to the Federal government over the three-year clearance period is \$2,685,985.³⁴ This cost estimate is comprised of two components:

1. The estimated total cost to the Federal government for the contractor to carry out the tasks for which this justification seeks approval is \$2,615,454. This is comprised of \$392,318 for instrument design and \$2,223,136 for data collection. Annualized over three years, the estimated annual cost is \$871,818.³⁵
2. DOL expects the annual level of effort for Federal government technical staff to oversee the contract will require 200 hours for one Washington D.C.-based GS-14, Step 4 employee earning \$73.47 per hour.³⁶ To account for fringe benefits and other overhead costs the agency applies a multiplication factor of 1.6. The annual cost is \$23,510.³⁷ The data collection period covered by this justification is three years, so the estimated total cost is \$70,531.

³⁴ Total costs include the full cost of instrument design and data collection activities. Annual costs include the total costs annualized over a three-year period.

³⁵ (\$2,223,136+\$392,318)/3=\$871,818

³⁶ See Office of Personnel Management 2024 Hourly Salary Table:

https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2024/DCB_h.pdf

³⁷ \$73.47 x 1.6 x 200 hours = \$23,510

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

This is a new data collection, and therefore there are no program changes or adjustments from the current OMB inventory.

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.

DOL plans to compile an analytical research report on the findings and results of the survey. Data will be presented primarily in a descriptive statistical manner, employing cross-tabulations. Data will be analyzed to: (1) produce prevalence estimates for violations of wage, hour, and overtime protections; (2) understand differences in violations by employer and worker characteristics; and (3) examine the relative weight of job, employer, and worker characteristics.

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.

CEO does not seek approval to not 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 for Paperwork Reduction Act Submissions (5 CFR 1320.9) for this study.