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Subject: Comments on LMI Cooperative Agreement Application Package 88 FR 85658

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Dear Carol Rowan,

On behalf of the Washington State Employment Security Department (ESD), please accept the following comments concerning the proposed extension of the *Labor Market Information (LMI) Cooperative Agreement Application Package* (<u>Document Number 2023-26925</u>). Thank you for requesting comments on this important topic.

## Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility.

- The LMI Cooperative Agreement (CA) is the vehicle through which the state workforce agencies (SWAs) are awarded funds. The CA package includes application instructions and materials, as well as financial reporting, closeout, and other administrative requirements. The state/federal cooperative statistical programs operated by the BLS have served the country and the states well for the past several decades. Cooperative agreements are designed to meet the mutual needs of the states and federal government and have done so since the mid-1980s. The system is known for its integrity and continuity of purpose. As a federal statistical agency, BLS attempts to meet required statistical standards and practices which include investing in state training and education, maintenance and updating program documentation, establishing security and confidentiality standards, and ensuring timely publication of statistics which hold the public sector accountable for its policies and actions while keeping the public informed about the outcomes of private sector market forces.
- State agencies utilize information collected under the CA in allocation formulas to distribute funds for various Workforce Innovation and Opportunity Act (WIOA) employment and training services, formulate workforce development plans and to attract businesses to the state or local communities.
- Educational institutions including partners in the K-12 systems as well as college and universities utilize labor market information, or LMI, for planning purposes and to showcase posteducational success.
- Local Workforce Development Boards (LWDBs) use labor market data to inform strategies that coordinate educational and training partners and businesses to prepare the workforce for sustainable employment.

- Local and state economic development boards and local governments rely on labor market information to document labor market trends and conditions to promote local investment and business retention.
- Staff at American Job Centers (called WorkSource in Washington State) use labor market trends and occupational data to help job seekers identify how they fit into the labor market, and possible opportunities for employment.

## Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used.

- Funds appropriated for the cooperative statistical programs as part of the Department of Labor's appropriation are generally one-year funds. Consequently, CAs must be negotiated and awarded every fiscal year, which means that SWAs must submit their applications for the funds available. Funding is awarded to SWAs through the cooperative agreement to assist them in producing state and local area labor market information and sample data for use in national estimates. Stagnating federal funding for the data collection and analysis activities have made it difficult at times to meet the requirements under the work statements of CA. The combination of essentially flat federal funding with the rising cost per position is affecting the ability of states to manage the workload of the collection activities.
- Meeting the collections activities requirements of the CA for the OEWS program has become more difficult in recent years. If BLS could look at options to either reduce the OEWS sample requirements or require national office collection on large firms in the OEWS sample, it would reduce some of the burden on states to meet the requirements of the proposed collection activities of the OEWS program. Cooperative agreements work well to the extent that they are adequately funded, and the states have the authority and organizational acumen to maintain a balance in the establishment of goals for the system.

## Enhance the quality, utility, and clarity of the information to be collected.

• Information collected under the CA is used by federal regional and national office staffs to determine if the SWAs agree to the deliverables, program performance requirements, and quality assurance requirements spelled out in the program work statements, and to carry out their fiduciary responsibilities to negotiate the CA funding levels with the SWAs, monitor their financial and programmatic performance, and monitor their adherence to administrative requirements imposed by 2 CFR 200, and other grants-management-related regulations.
Information collected is also used for planning and budgeting at the federal level and in meeting federal reporting requirements.

Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses.

• The burden of the collection of information is variable. Information collected as part of the application submission depends on the number of programs for which funding is being awarded. The time required to complete the Budget Information Form (BIF) varies widely depending on the state workforce agencies level of research and preparation time in arriving at estimated costs for each program. Some will simply add on a small amount from year to year; others may take a more thorough, "zero-base budget," approach.

- For the LMI CA work statements, the BLS uses a "check-the-box" approach in lieu of requiring long, written program narratives to accompany the CA application. OMB Circular A-102 states that agencies should generally include a request for a program narrative statement, which is based on instructions provided in the circular. The BLS Work Statements are a simpler alternative to requiring written narrative program methodologies and plans. Each estimate of time required to complete the work statements by checking the appropriate boxes provided assumes that no variances will be needed. Also, whereas all states complete the All Programs and the OEWS Work Statements, the other three or four Work Statements (CES, LAUS, QCEW) are not applicable to, and therefore not completed by, all states. Thus, the burden for the collection of information associated with the Work Statements will vary from state to state and from year to year. BLS has recently been exploring interactive automated versions of its Work Statements that could be attached electronically to its application, along with electronic forms.
- In the area of financial reporting, the burden also varies depending on whether the agency is using one of the two major automated accounting systems (CAS or FARS) that generate standard reports, to meet the BLS financial reporting requirements, or using the BLS LMI Financial Report Form. In addition, as mentioned previously, only short, "bottom-line" information is required monthly, whereas quarterly financial reporting is at the cost-category level.
- Quarterly Status Reports (BLS LMI-2B) are required only from those SWAs that receive funds for additional activities to maintain currency (AAMCs). The number of AAMCs each year is dependent on the additional activities that are needed to keep the programs current, and the amount of funding available. Therefore, the number of respondents for the Quarterly Status Reports may vary significantly from year to year.

Thank you for considering our comments. Please reach out if you have questions or need more information.

## Gustavo Avilés

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<u>Data Architecture, Transformation & Analytics</u>

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