

DEPARTMENT OF LABOR**Employment and Training
Administration****Proposed Collection; Comment
Request****ACTION:** Notice.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden conducts a preclearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95) [44 U.S.C. 3506(c)(2)(A)]. This program helps to ensure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed. Currently, the Employment and Training Administration is soliciting comments concerning the proposed extension of the collection of the State Income and Eligibility Verification provisions of the Deficit Reduction Act. A copy of the proposed information collection request (ICR) can be obtained by contacting the office listed below in the addressee section of this notice.

DATES: Written comments must be submitted to the office listed in the

addressee section below on or before September 23, 1997.

The Department of Labor is particularly interested in comments which:

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

ADDRESSES: Lorenzo Roberts, Unemployment Insurance Service, 200 Constitution Ave. N.W., Room S-4231, Frances Perkins Building, Washington, D.C. 20210; telephone 202-219-5616, ext. 175; FAX 202-219-8506 (these are not toll-free numbers).

SUPPLEMENTARY INFORMATION:

I. Background: The Deficit Reduction Act of 1984 established an income and eligibility verification system for the

exchange of information among State agencies administering specific programs. The programs are: Aid to Families with Dependent Children, Medicaid, Food Stamps, Supplemental Security Income, Unemployment Compensation and any State program approved under Title I, X, XIV, or XVI of the Social Security Act. Under the Act, programs participating must exchange information to the extent it is useful and productive in verifying eligibility and benefit amounts to assist in the child support program and the Secretary of Health and Human Services in verifying eligibility and benefit amounts under Titles II and XVI of the Social Security Act.

II. Current Actions: As the only continuous source of information on the Income and Eligibility program, the data is required to monitor and evaluate that program. As a result of decreased estimated workloads, the requested burden is a reduction of 4509 hours from the previously requested total.

Agency: Employment and Training Administration.

Title: Income and Eligibility.

OMB Number: 1205-0238.

Agency Number: None.

Affected Public: State Governments.

Total Respondents: 53.

Frequency: Quarterly.

Total Responses: 212.

Average Time per Response: 10.033 minutes.

Estimated Total Burden Hours: 52,269 hours.

Report	Total respondents	Frequency	Total responses	Average time per response	Burden (hours)
New & Additional Claims	21.0 Mil	Annually	21.0 Mil	2 seconds	11,666
New Claims	243,100	Annually	243,100	10 minutes ...	40,517
Totals	52,269

Total Burden Cost (operating/maintaining): At approximately \$20 per hour average State salary, the State burden is estimated at \$1,045,380 per year.

Comments submitted in response to this comment request will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.

Dated: July 22, 1997.

Grace A. Kilbane,

*Director, Unemployment Insurance Service,
Employment and Training Administration.*

[FR Doc. 97-19646 Filed 7-24-97; 8:45 am]

BILLING CODE 4510-30-M

DEPARTMENT OF LABOR**Employment and Training
Administration****Federal-State Unemployment
Compensation Program:
Unemployment Insurance Program
Letters Interpreting Federal
Unemployment Insurance Law**

The Employment and Training Administration interprets Federal law requirements pertaining to unemployment compensation as part of its role in the administration of the Federal-State unemployment compensation program. These interpretations are issued in

Unemployment Insurance Program Letters (UIPLs) to the State Employment Security Agencies (SESAs). The UIPL described below is published in the **Federal Register** in order to inform the public.

UIPL 37-96 Change 1

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, popularly known as the "welfare reform" bill, made several changes which affect the unemployment compensation (US) program. The purpose of this UIPL is to provide information on one of these changes which was not discussed in the Department's previous issuance on PRWORA, UIPL 37-96. This change relates to the definition of "legal process" used for purposes of intercepting child support obligations from UC.

UIPL 34-97

For a number of years, State US agencies have been seeking guidance concerning the permissible disclosure of UC information, particularly in the areas of payment of costs and safeguarding information. In March of 1992, the Department of Labor published a Notice of Proposed Rulemaking in the **Federal Register** on the confidentiality and disclosure of State records compiled or maintained for the Purposes of the Federal-State UC program. As an interim step, until the rule is published, the Department is issuing this UIPL to inform States of the Department's position in this area.

Dated: July 22, 1997.

Raymond J. Uhalde,
Acting Assistant Secretary of Labor.

U.S. Department of Labor

Employment and Training Administration,
Washington, D.C. 20210

Classification: UI
Correspondence Symbol: TEUL
Date: June 10, 1997
Rescissions: None
Expiration Date: Continuing
Directive: Unemployment Insurance Program Letter No. 34-97
To: All State Employment Security Agencies
From: Grace A. Kilbane, Director,
Unemployment Insurance Service
Subject: Disclosure of Confidential
Unemployment Compensation Information

1. *Purpose.* To advise States of the Department of Labor's (Department) interpretation of Federal law regarding the basic confidentiality and disclosure requirements for the Federal-State unemployment compensation (UC) program and to announce that the Department is planning to move ahead with development of a rule.

2. *References.* Sections 303(a)(1) and 303(a)(8) of the Social Security Act (SSA);

Income and Eligibility Verification System (IEVS) regulations at 20 CFR Part 603; Unemployment Insurance Program Letter (UIPL) No 52-80, dated September 9, 1980 (disclosure to food stamp agencies and to child support enforcement agencies); UIPL No. 12-87, dated March 11, 1987 (disclosure to agencies participating in a State IEVS); UIPL No. 11-89, dated January 5, 1989 (disclosure to the Department of Housing and Urban Development and to representatives of a public housing agency; this disclosure provision expired on October 1, 1994); UIPL No. 23-96, dated May 31, 1996 (disclosure to private entities); UIPL No. 37-96, dated September 25, 1996 (disclosure to child support enforcement agencies and redisclosure to an agent, and disclosure to the Secretary of Health and Human Services for purposes of the National Directory of New Hires operated by the Federal Parent Locator Service).

3. *Background.* For a number of years, State UC agencies have been seeking guidance concerning the permissible disclosure of UC information, particularly in the areas of payment of costs and safeguarding information. Accordingly, the Department published a Notice of Proposed Rulemaking (NPRM) in the **Federal Register** (57 FR 10064) on March 23, 1992, on the confidentiality and disclosure of State records compiled or maintained for the purposes of the Federal-State UC program. Just over 100 responses were received from various interested parties. As an interim step, until the rule is published, the Department is issuing this UIPL.

4. *Rulemaking.* The Department will seek to place in regulations all of the requirements of statutory provisions relating to the confidentiality and disclosure of State records compiled or maintained for the purposes of the Federal-State UC program. The aim of the rule will be to prescribe comprehensive requirements for protecting the confidentiality of State records collected for the purposes of the Federal-State UC program, define the limits on the rule of confidentiality, set forth the statutorily required and permitted exceptions to the rule of confidentiality, and prescribe the conditions under which the required and permitted disclosures shall or may be made. Among the various issues to be discussed in the rule will be disclosure to governmental entities and "quasi" governmental entities and redisclosure to private entities acting as agents for governmental entities, as well as issues raised in response to the NPRM.

Until a rule is issued, this UIPL, the UIPLs cited above in item 2, *References*, other UIPLs subsequently issued and 20 CFR Part 603 are the Department's interpretation of Federal law with respect to confidentiality and disclosure.

5. *Interpretation.* The basic confidentiality requirement for the Federal-State UC program has its origin in the beginning of the program and is derived from Sections 303(a)(1) and 303(a)(8), SSA. It pertains to information required from individuals and employers or employing units for the purposes of the administration of the revenue and benefit provisions of State UC laws, hereafter "UC information." It applies to

State UC agencies and the entire executive branch of State government.

Section 303(a)(1), SSA, requires, as a condition for a State to receive administrative grants, that the State law provide for:

[S]uch methods of administration * * * as are found by the Secretary of Labor to be reasonably calculated to insure full payment of unemployment compensation when due.

Section 303(a)(8), SSA requires, as a condition for a State to receive administrative grants, that the State law provide for:

The expenditure of all moneys received * * * solely for the purposes and in the amounts found necessary by the Secretary of Labor for the proper and efficient administration of such State law * * *.

It has been the Department's longstanding interpretation of Sections 303(a)(1) and 303(a)(8), SSA, that UC information is confidential and, except as noted in item 6 below, is not subject to disclosure. The basis for this prohibition is that disclosure may discourage individuals claiming benefits from exercising their rights under the law, may deter employers from furnishing information necessary for UC program operations, may impede the "proper and efficient administration" of the UC program, and may create notoriety for the UC program if the information were misused. Any publicity could have disrupting effects on the operations of the State agency and effect the agency's mission of insuring claimants "full payment of unemployment compensation when due."

6. *Exceptions.* Following are exceptions to the rule of confidentiality.

a. *Disclosure to Public Officials—Permissible.* UC records may be disclosed to Federal, State and local public officials, including law enforcement officials, in the administration or enforcement of a law by the public official. The Department encourages such disclosure in the interest of effective government. This disclosure of records to public officials is permitted only under the following conditions:

- Disclosure of the specific record(s) requested is permitted by the State law of the State to which the request is made.
- Such disclosure would not significantly hinder or delay the processing of UC claims or other UC activities, and such disclosure would not impede the efficient administration of the State UC law.
- The use of the disclosed information is limited to official governmental duties.
- If disclosure entails more than casual or incidental staff time, arrangements are made for the reimbursement of the costs involved in providing the information.

b. *Disclosure to Public Officials—Required.* Several specific provisions of Federal law require disclosure of UC information to certain governmental entities, which are food stamp agencies, child support enforcement agencies, the National Directory of New Hires and agencies participating in a State IEVS. This UIPL will not discuss these requirements as they have already been addressed in 20 CFR Part 603 and the various UIPLs cited above in item 2, *References*.

c. *Disclosure to Private Entities—UIPL No. 23-96.* UC information may be disclosed to a private entity under a written agreement

which requires "informed consent" from the individual to whom the information pertains, safeguards the information once it is in the hands of the private entity and closely restricts or prohibits further dissemination, and requires the private entity to pay all costs associated with disclosure. Consent is not informed if an individual is not told that governmental records, including a State's records, may be released and to whom the information may be provided. A more complete discussion is found in UIPL No. 23-96.

d. *Subpoenas.* Where a subpoena requests the disclosure of confidential UC information that is not permitted to be disclosed to the party seeking it, disclosure is permitted only after a motion to quash, on the grounds that it is privileged UC information, has been overruled by a court. This is because, while subpoenas may be issued by a public official (e.g., a clerk of court), they are generally requested for a private party, such as a claimant or an employer. Cooperation with law enforcement officials is encouraged so that there should be no need for these officials to rely upon subpoenas.

7. *Action Required.* State administrators are requested to provide the above information to appropriate staff.

8. *Inquiries.* Direct questions to the appropriate Regional Office.

U.S. Department of Labor

Employment and Training Administration

Washington, D.C. 20210

Classification: UI

Correspondence Symbol: TEUL

Date: July 21, 1997

Rescissions: None

Expiration Date: Continuing

Directive: Unemployment Insurance Program Letter No. 37-96 Change 1

To: All State Employment Security Agencies

From: GRACE A. KILBANE, Director,
Unemployment Insurance Service

Subject: The Personal Responsibility and Work Opportunity Reconciliation Act of 1996—Deduction of Child Support Obligations from Unemployment Compensation through Legal Process

1. *Purpose.* To advise States of an amendment to the definition of legal process made to Federal law by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

2. *References.* The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193); the Social Security Act (SSA); and Unemployment Insurance Program Letter (UIPL) No. 37-96.

3. *Background.* The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), popularly known as the "welfare reform" bill, made several changes which affect the unemployment compensation (UC) program. The purpose of this UIPL is to provide information on one of these changes which was not discussed in the Department's previous issuance on PRWORA, UIPL 37-96. This change relates to the definition of "legal process" used for purposes of intercepting child support obligations from UC.

4. *Legal Process.* The child support intercept requirement for UC is found at

Section 303(e)(2)(A)(iii)(III), SSA. It requires States, as a condition for UC administrative grants, to deduct and withhold child support obligations from any UC otherwise payable to an individual if the obligation is "required to be so deducted and withheld from such unemployment compensation through legal process (as defined in section 462(e))," SSA. This definition of legal process was repealed by Section 362(b)(1), PRWORA. Although a new definition of legal process was added to the SSA, the UC intercept provisions were not amended to reference this new definition.

The new definition of legal process is found at Section 459(i)(5), SSA, as amended by Section 362(a), PRWORA. It is substantially similar to the old definition. However, whereas the old definition included only courts of competent jurisdiction, the new definition is expanded to include administrative agencies of competent jurisdiction. Thus, a writ, order, summons, or other similar process in the nature of garnishment which is issued by an administrative agency of competent jurisdiction is now included in the definition of legal process.

Under the repealed Section 462(e), the definition of legal process applied to Section 459. In contrast, the new definition is itself contained in Section 459. In the Department's view, the shifting of the definition from Section 462 to Section 459 is merely technical. Further, the child support intercept provision must be effectuated. Therefore, although the child support intercept provision was not amended to reference the new definition, the Department interprets it as re/quiring that States deduct and withhold UC in accordance with the new definition of legal process. This interpretation gives effect to one of the purposes of the PRWORA—to strengthen child support enforcement mechanisms.

States should be aware that any additional costs incurred by the State UC agency in administering this new definition must be reimbursed by the appropriate State or local child support enforcement agency as required by Section 303(e)(2)(C), SSA.

5. *Action.* States will need to determine whether amendment to State law is necessary.

6. *Inquiries.* Please direct inquiries to the appropriate Regional Office.

[FR Doc. 97-19648 Filed 7-24-97; 8:45 am]

BILLING CODE 4510-30-M

DEPARTMENT OF LABOR

Employment Standards Administration Wage and Hour Division

Minimum Wages for Federal and Federally Assisted Construction; General Wage Determination Decisions

General wage determination decisions of the Secretary of Labor are issued in accordance with applicable law and are based on the information obtained by the Department of Labor from its study of local wage conditions and data made available from other sources. They

specify the basic hourly wage rates and fringe benefits which are determined to be prevailing for the described classes of laborers and mechanics employed on construction projects of a similar character and in the localities specified therein.

The determinations in these decisions of prevailing rates and fringe benefits have been made in accordance with 29 CFR Part 1, by authority of the Secretary of Labor pursuant to the provisions of the Davis-Bacon Act of March 3, 1931, as amended (46 Stat. 1494, as amended, 40 U.S.C. 276a) and of other Federal statutes referred to in 29 CFR Part 1, Appendix, as well as such additional statutes as may from time to time be enacted containing provisions for the payment of wages determined to be prevailing by the Secretary of Labor in accordance with the Davis-Bacon Act. The prevailing rates and fringe benefits determined in these decisions shall, in accordance with the provisions of the foregoing statutes, constitute the minimum wages payable on Federal and federally assisted construction projects to laborers and mechanics of the specified classes engaged on contract work of the character and in the localities described therein.

Good cause is hereby found for not utilizing notice and public comment procedure thereon prior to the issuance of these determinations as prescribed in 5 U.S.C. 553 and not providing for delay in the effective date as prescribed in that section, because the necessity to issue current construction industry wage determinations frequently and in large volume causes procedures to be impractical and contrary to the public interest.

General wage determination decisions, and modifications and supersedes decisions thereto, contain no expiration dates and are effective from their date of notice in the **Federal Register**, or on the date written notice is received by the agency, whichever is earlier. These decisions are to be used in accordance with the provisions of 29 CFR Parts 1 and 5. Accordingly, the applicable decision, together with any modifications issued, must be made a part of every contract for performance of the described work within the geographic area indicated as required by an applicable Federal prevailing wage law and 29 CFR Part 5. The wage rates and fringe benefits, notice of which is published herein, and which are contained in the Government Printing Office (GPO) document entitled "General Wage Determinations Issued Under The Davis-Bacon And Related Acts," shall be the minimum paid by