

proposed exclusion and the potential effect of an exclusion. Within 30 days of receipt of notice, which will be deemed to be 5 days after the date on the notice, the individual or entity may submit documentary evidence and written argument concerning whether the exclusion is warranted and any related issues.

(b) If the OIG proposes to exclude an individual or entity under the provisions of § 1001.701 or 1001.801 of this part, in conjunction with the submission of documentary evidence and written argument, an individual or entity may request an opportunity to present oral argument to an OIG official.

* * * * *

Dated: October 20, 1998.

Joel Schaer,

OIG Regulations Officer.

[FR Doc. 98-28736 Filed 10-28-98; 8:45 am]

BILLING CODE 4150-04-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

45 CFR Part 276

RIN 0970-AB92

Welfare-to-Work Data Collection

AGENCY: Administration for Children and Families, HHS.

ACTION: Interim final rule; request for comments.

SUMMARY: The Administration for Children and Families is issuing an interim final rule that specifies the reporting requirements applicable to States and Indian tribes with respect to participants receiving services under Welfare-to-Work (WtW) grants. The overall purpose of the WtW program is to assist States, Tribes, and other grantees to provide transitional employment assistance that moves hard-to-employ welfare recipients, living in high poverty areas, into unsubsidized employment and economic self-sufficiency. WtW grants are targeted to assist those TANF (Temporary Assistance for Needy Families) recipients, and certain noncustodial parents, who have experienced or have characteristics associated with long-term welfare dependency. This regulation implements portions of section 411 of the Social Security Act, 42 U.S.C. 611.

DATES: The interim final rule is effective October 29, 1998. However, affected parties do not have to comply with this information collection requirement until

we receive approval from the Office of Management and Budget and publish the control numbers assigned to it under the Paperwork Reduction Act of 1995.

Comment period: You must submit comments by December 28, 1998. We will not consider comments received after this date.

ADDRESSES: You may mail or hand-deliver comments to the Administration for Children and Families, Office of Planning, Research and Evaluation, 7th Floor West, 370 L'Enfant Promenade, SW, Washington, DC 20447. Attention: Patrick Brannen.

Comments that are less than 10 pages in length may be transmitted via facsimile at (202) 205-3598, provided that submission of written text follows.

You may also transmit written comments electronically via the Internet. To transmit comments electronically, or download an electronic version of the interim final rule, you should access the ACF Welfare Reform Home Page at <http://www.acf.dhhs.gov/news/welfare/> and follow any instructions provided.

We will make all comments available for public inspection at the Office of Planning, Research and Evaluation, 7th Floor West, 901 D Street, SW, Washington, DC 20447, from Monday through Friday between the hours of 9 a.m. and 4 p.m. EST. (This is the street address, as opposed to the mailing address above.)

We will not acknowledge the individual comments we receive. However, we will review and consider all that are germane and received during the comment period.

FOR FURTHER INFORMATION, CONTACT: Patrick Brannen, Division of Data Collection and Analysis, Office of Planning, Research and Evaluation, ACF, at (202) 401-5096.

Deaf and hearing-impaired individuals may call the Federal Dual Party Relay Service at 1-800-877-8339 between 8 a.m. and 7 p.m. Eastern time.

SUPPLEMENTARY INFORMATION:

Table of Contents

- I. The Interim Final Rule and the Paperwork Reduction Act
- II. Legislative and Regulatory Background
 - A. The Personal Responsibility and Work Opportunity Reconciliation Act
 - B. Welfare-to-Work Grants
- III. Welfare-to-Work Data Collection Requirements
 - A. Joint DHHS/DOL Information Collection Strategy
 - B. Section by Section Discussion of the Interim Final Rule
- IV. Regulatory Impact Analyses
 - A. Executive Order 12866
 - B. Regulatory Flexibility Analysis
 - C. Paperwork Reduction Act

- D. Unfunded Mandates Reform Act of 1995
- E. Congressional Review
- F. Effective Date and Absence of Notice and Comment

I. The Interim Final Rule and the Paperwork Reduction Act

The Balanced Budget Act of 1997, Pub. L. 105-33, amended title IV-A of the Social Security Act (the Act) to authorize Welfare-to-Work (WtW) grants to States and Tribes. The Department of Labor (DOL) and the Department of Health and Human Services (DHHS) share responsibility for the implementation of this program. In general, DOL has overall responsibility for program administration, and DHHS has responsibility for participant data collection and evaluation of the program.

The Department of Labor issued an interim final rule to implement the WtW grants program on November 18, 1997 (62 FR 62124). This DHHS interim final rule implements section 411 of the Act and specifies the WtW participant data collection and reporting requirements that must be submitted by those States and Indian tribes administering WtW grants.

We have determined that publication of an interim final rule is necessary as WtW grants are authorized to be awarded only in FY 1998 and FY 1999. Information collection is required by statute to begin as soon as States and Tribes begin implementing the program. In addition, it is critical that information be available in order to conduct the evaluation and submit the reports to Congress required by statute. Section 413(j) of the Act requires DHHS to submit an interim report to Congress in January 1999 and a final report in January 2001. These reports must contain an evaluation of how the WtW grant funds have been used, including specific outcome information on participants.

The WtW participant and expenditure data elements in this interim final rule are designed to provide critical information for the WtW evaluation and the reports to Congress. These data elements will also help grantees manage and evaluate their programs. Although DHHS is funding a national study of the WtW program, little information from this study will be available for several years. States and Tribes represent the primary source of information on individual participants that will enable us to carry out our statutory responsibilities.

For these reasons, we believe an interim final rule is justified. However, we are sensitive to the issue of reporting

burden on States and Tribes. We have limited the data elements to those specified in section 411 of the Act, with a few necessary exceptions. Although the information to be reported is specified in the statute, it is not specified in the form of individualized data elements. Thus, a regulation is necessary to convert the required data into a format suitable for reporting. We will, however, consider all comments received in response to this rule in determining what changes are appropriate before issuing a final rule.

This interim final rule contains information collection activities that are subject to review and approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995. Under this Act, no persons are required to respond to a collection of information unless it displays a valid OMB control number.

As required by the Paperwork Reduction Act, we have submitted these interim final data collection requirements to OMB for review and approval and are concurrently using this rule as a vehicle for seeking comments from the public on these information collection activities.

II. Legislative and Regulatory Background

A. The Personal Responsibility and Work Opportunity Reconciliation Act

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), or the welfare reform law (Pub. L. 104-193), established the Temporary Assistance for Needy Families (TANF) program in title IV-A of the Act. TANF is a block grant program designed to make dramatic reforms in the nation's welfare system.

The TANF provisions substantially changed the nation's welfare system from one in which cash assistance was provided on an entitlement basis to a system in which the primary focus is on moving welfare recipients to work and promoting family responsibility, accountability, and self-sufficiency. The law limits federal assistance to a 60-month period of time for most adult recipients of State TANF programs. Such individuals are expected to become self-sufficient within that timeframe. (The 60-month time limit is not applicable to recipients under the Tribal TANF program.)

In support of this objective, the statute established an overall work participation rate for all families and a work participation rate for two-parent families that must be met by each State, beginning in fiscal year 1997 and in each fiscal year thereafter. States that do

not meet the participation requirements face significant financial penalties. The Secretary is authorized to establish the work participation rates for Indian tribes. States may provide to recipients, with TANF, WtW, or other funding, job-related education and skills training as well as other services to ensure lasting employment and the achievement of self-sufficiency.

TANF replaced the national welfare program known as Aid to Families with Dependent Children (AFDC) which provided cash assistance to needy families on an entitlement basis. It also replaced the related programs known as the Job Opportunities and Basic Skills Training (JOBS) program and the Emergency Assistance (EA) program.

The new TANF program went into effect on July 1, 1997, except in States that elected to submit a complete plan and implement the program at an earlier date. Indian tribes were also authorized to run their own TANF programs and a number have elected to do so. We published a Notice of Proposed Rulemaking to implement the work, penalties, and data collection provisions of the TANF program in the **Federal Register** on November 20, 1997 (62 FR 62124). On July 22, 1998, we published an NPRM on the Tribal Work and TANF Programs (63 FR 39366).

B. Welfare-to-Work Grants

Following the enactment of PRWORA, the Administration and Congress were concerned that those welfare recipients who have the least skills, education, and employment experience, and who live within high poverty areas, might need additional assistance to obtain lasting jobs and become self-sufficient.

On August 5, 1997, the President signed the Balanced Budget Act of 1997. This legislation amended title IV-A of the Act to authorize the Secretary of Labor to make Welfare-to-Work (WtW) grants to States, Indian tribes, Private Industry Councils (PICs), local governments, and other private entities to help move hard-to-employ TANF welfare recipients and certain noncustodial parents into unsubsidized jobs providing good career potential for achieving economic self-sufficiency.

Among other responsibilities, DOL is authorized to—

- make formula grants to States and Indian tribes;
- make competitive grants to a wide range of local entities, e.g., local governments, Private Industry Councils (PICs), community development corporations, community action agencies, and other public and private entities; and

- award performance bonuses to those States which most effectively place hard to employ individuals in lasting employment at increased earnings.

These activities are described more fully below.

Formula Grants to States

Section 403(a)(5)(A) of the Act authorizes DOL to award 75 percent of the funds available in each of fiscal years 1998 and 1999 as formula grants to States. States are required to pass through 85 percent of the formula grant funds to PICs. PICs (known as workforce development boards in some areas) oversee and guide job training programs in geographical jurisdictions called service delivery areas (i.e., generally one or more units of local government with a population of 200,000 or more). A State is allowed to retain 15 percent of the money for WtW projects of its choice. Governors are responsible for administering formula grant funds and for assuring that they are coordinated with funds spent under the TANF block grant.

Formula Grants to Indian tribes

Sections 403(a)(5)(F) and 412(a)(3) of the Act authorize DOL to award \$15 million as grants to Indian tribes in each of fiscal years 1998 and 1999.

Competitive grants

Section 403(a)(5)(B) of the Act provides that DOL will distribute approximately 25 percent of available WtW funds through a competitive grant process. These funds provide targeted assistance needed to move hard-to-employ TANF recipients and certain noncustodial parents into lasting unsubsidized jobs. These grants also will help expand the base of knowledge about programs which are successful in achieving program goals.

Eligible competitive grant applicants include PICs; local governments; and a range of private entities including community development corporations, community action agencies, community-based and faith-based organizations, disability community organizations, and public and private colleges and universities.

Features Which Apply to Both Formula and Competitive Grants

Use of funds: Funds may be used to help move eligible individuals into jobs by—job creation through public or private sector wage subsidies; on-the-job training; contracts with public or private providers of job readiness, job placement, and post-employment services; job vouchers for similar

services; community service or work experience; or job retention and supportive services (if such services are not otherwise available).

Participant eligibility: At least 70 percent of the grant funds must be spent on TANF recipients or non-custodial parents of minor children receiving TANF assistance who: face two of three specified labor market deficiencies and who are long-term welfare recipients or who face termination from TANF within 12 months. Labor market deficiencies include a lack of a high school diploma or GED certificate and low reading or math skills, requiring substance abuse treatment for employment, and a poor work history.

Up to 30 percent of the grant funds may be spent on individuals who are "recent" recipients of TANF assistance or noncustodial parents who have characteristics associated with long-term dependence such as school dropout, teen pregnancy, or poor work history.

Performance Bonuses

Section 403(a)(5)(E) of the Act specifies that DOL will award \$100 million in performance bonuses in FY 2000 to those States which most effectively place hard-to-employ individuals in lasting employment at increased earnings.

Importance of Coordination

Coordination and cooperation among State/county TANF agencies, Indian tribes, and the State and local WTW agencies will be a major factor in the success of this program and of the national welfare reform initiative. Hard-to-employ welfare recipients constitute a significant portion of the TANF population, and it is this population the WtW grants aim to serve.

State workforce development systems will help implement WtW and assist welfare recipients to secure lasting employment. Key stakeholders in these systems include the PICs, local governmental entities, private sector employers, labor organizations, business and trade associations, education agencies, housing agencies, community development corporations, transportation agencies, community-based and faith-based organizations, disability community organizations, community action agencies, and colleges and universities. Cooperation among these diverse entities and actors will be critical for both program and data collection purposes.

III. Welfare-to-Work Data Collection Requirements

A. Joint DOL/DHHS Information Collection Strategy

Because the TANF and the WtW programs are closely related in terms of statutory provisions, program goals, administrative responsibilities, and the population being served, DOL and DHHS established a working group to develop a coordinated implementation strategy. The DOL interim final rule, published November 18, 1997, was also coordinated with the Departments of Housing and Urban Development and Transportation.

As a part of this coordinated effort, DOL and DHHS have developed a joint WtW information collection strategy. The purpose of the strategy is to assure an integrated approach to WtW data collection, develop a common data format to facilitate data transmission and use, minimize grantee reporting burden, and make the most effective use of Federal resources.

Under this strategy—

- DHHS will issue participant data reporting requirements, through regulations, applicable to State and Tribal WtW formula grant programs. The reporting requirements will apply to all WtW participants in these formula grant programs and will be reported to DHHS by the State and the Tribe in a format provided by DHHS. The data required to be reported includes the disaggregated "TANF" data in sections 411(a)(1)(A)(i) through (xvii), the disaggregated "WtW" data in section 411(a)(1)(A)(xviii), and the aggregated "WtW" data in sections 411(a)(2) through (4) and (6). (For a discussion of the specific data elements, see "*What data must States and Tribes file on individual participants?* (§ 276.3)" below.)

- DOL will specify participant reporting requirements applicable to competitive grant programs. Like the requirements for States and Tribes, the reporting requirements will apply to all individuals enrolled in the WtW competitive grant program. The data will be reported to DOL by the grantee unless the State agrees to compile and transmit the data to DHHS. DHHS and DOL will jointly develop a common data format and specifications to facilitate this complementary reporting.

- DOL will specify financial reporting requirements for both formula and competitive grantees.

- DOL will also specify additional targeting, eligibility, and other data elements for both formula and competitive grantees under its general administrative authority. These

additional data elements will provide data to verify that the eligibility and targeting requirements in section 403(a)(5)(C)(ii) have been met.

- The data elements in this interim final rule will be consolidated with the data elements specified by DOL into a common reporting form. DOL and DHHS will publish a Paperwork Reduction Act Notice on the common reporting form in the Federal Register in the near future.

- DHHS and DOL will issue guidance and facilitate technical assistance on the WtW data collection strategy, describing the interface between the population served and the data reporting systems, emphasizing the need to share information between service delivery components and levels, and identifying options for State and Tribes in reporting these data.

B. Section by Section Discussion of the Interim Final Rule

What Does This Part Cover? (§ 276.1)

This section specifies the scope and content of part 276, including what information we will collect from certain States and Tribes on individuals and families receiving services under WtW grants and the electronic filing and sampling requirements. Although the WtW data reporting provisions are a part of the overall data collection and reporting requirements specified in section 411 of the Act, we have published them on a temporary basis in a separate part of the regulations (45 CFR part 276) in order to avoid confusion with the provisions of the TANF Notice of Proposed Rulemaking that was published on November 20, 1997. (45 CFR part 275.) The WtW data collection and reporting requirements set forth in part 276 will be incorporated into 45 CFR part 275 (Data Collection and Reporting Requirements) when the TANF regulations are finalized and into 45 CFR part 286 (Tribal Data Collection and Reporting Requirements) when regulations are finalized for Tribal TANF programs. We have included in this interim regulation only those provisions which are necessary to implement the WtW reporting requirements.

What Definitions Apply to This Part? (§ 276.2)

Three of the five definitions in this section are commonly used acronyms such as ACF, TANF, and WtW. The term "State" and "the Act" are also defined.

For purposes of this regulation, WtW means only those services or activities provided under a State formula grant

pursuant to section 403(a)(5)(A) of the Act or under an Indian tribal formula grant pursuant to section 412(a)(3) of the Act. See discussion relative to § 276.3.

What Data Must States and Indian Tribes File on Individuals Participating in the WtW Program? (§ 276.3)

This section specifies what WtW participant and expenditure data States and Indian tribes must collect and report to DHHS.

Section 276.3(a) requires States and Indian tribes receiving a WtW formula grant to collect monthly, and submit quarterly, information on all individuals and families participating in the States' or Tribes' WtW formula grant program. "All individuals and families participating in the WtW program" means those persons who—

1—Currently receive WtW and TANF assistance;

2—Currently receive WtW and formerly received TANF assistance;

3—Currently receive WtW and would be eligible for TANF assistance except for the time limit on receipt of such assistance; and

4—Currently receive WtW and are non-custodial parents of a child (children) receiving TANF assistance.

We have taken this approach based on our reading of section 411 of the Act (data collection and reporting) and our interest in an inclusive approach to assessing and evaluating this program. As originally enacted, section 411(a) required States to report data on participants "receiving assistance under the State program funded under this part * * *", which in the TANF NPRM has been interpreted to mean "under the TANF program". However, as amended by the Balanced Budget Act, section 411(a) was also intended to require States to report new data elements for WtW program participants.

Section 411 does not address formula or competitive grants or grantees per se; it neither specifically includes or excludes them. One interpretation of section 411 would require reporting of WtW data on TANF recipients participating in any WtW program regardless of whether they are receiving services from a formula grantee, a subgrantee, or a competitive grantee. This interpretation, however, would exclude information on a significant number of WtW participants, e.g., former TANF recipients who continue to receive WtW services, non-custodial parents, and persons who would be eligible to receive TANF assistance except for the time limit on receipt of such assistance. Clearly, exclusion of these populations makes a full evaluation of the WtW grants more

difficult and the findings less accurate or complete.

An alternate reading of the "receiving assistance under the State program funded under this part * * *" language in section 411 would provide for the collection of information on all State formula grant WtW participants. This interpretation results from the fact that with the passage of the Balanced Budget Act of 1997, there are now *two* State grant programs funded under part IV–A of the Act. We believe the references to State programs can be read to cover recipients of both State TANF and WtW assistance. However, this interpretation would not provide for reporting on all WtW participants, namely those served by competitive grantees, since these grantees are not part of a State program funded under part A of the Act.

We have determined that the second approach is a more preferable reading of the statute since it would allow the collection of information on all WtW participants in the State and Tribal formula grant programs and, thus, will yield information most useful to States, Tribes, and other grantees as well as DOL, DHHS and the Congress. Our decision to adopt this more inclusive approach forms the basis of the joint DOL/DHHS information strategy discussed above in which DHHS will, among other activities, require WtW information from State and Tribal formula grantees, and DOL will collect data from competitive grantees. Thus, through this combined DHHS/DOL approach, we will be able to collect data on all WtW participants while minimizing the burdens on grantees.

In paragraph (b), we specify that only those Tribes administering both TANF and WtW formula grants are required to report the information in part 276. Although a wide range of Indian tribes are eligible to receive WtW grants, section 412(g) of the Act requires only those Tribes with an approved tribal assistance plan (TANF) to report the data required in section 411.

Paragraph (c) of this section specifies the data elements that DHHS is requiring States to report through this regulation. These data are only the disaggregated participant information (not the aggregated data) in the Emergency TANF Data Report (ACF Form 198, issued September 30, 1997, OMB Number 0970–0164, expires September 30, 1998) and the information in the WtW Data Report specified in this interim final rule. (As noted above, these DHHS data elements plus the additional data elements specified by DOL will be collected through the use of a common reporting form.)

Paragraph (d) of this section specifies the data elements that the Tribes must report, i.e., only the disaggregated participant information (not the aggregated data elements) in the Interim Tribal TANF Data Report (ACF Form 343, issued May 6, 1998, OMB Number 0970–0176, expires December 31, 1998) and the information in the WtW Data Report specified in this interim final rule.

Paragraph (e) of this section describes the WtW Data Report. As a specific resource and reference for this discussion, we have published three appendices at the end of the regulation text: Appendix A contains the specific data elements we will collect as well as the instructions for coding these data; appendix B contains a summary of the applicable sampling specifications; and appendix C contains a Statutory Reference Table. These appendices will be published in the **Federal Register** as a part of the final rule but will not be codified in the Code of Federal Regulations.

Data Elements—Appendix A

The WtW Data Report consists of two sections; except for the eight items discussed below, all elements are required by statute.

- Section One consists of 21 disaggregated data elements. It includes identifying information, such as the individual's Social Security Number, and data on wages, employment activities, and terminations.

- Section Two consists of 10 aggregated data elements. It includes information on the total number of participants, families, noncustodial parents, and the total number of participants and families terminated. These data are required by sections 411(a)(2) through (4) and section 411(a)(6).

See the Statutory Reference Table in Appendix C which lists the specific statutory authority for each data element.

Non-statutory Requirements—Appendix A

A. The following six data elements are not required by statute, but they are necessary to, and implicit in, the administration of a data collection system—

1. State FIPS Code
2. Tribal Code
3. Reporting Month
4. Stratum
5. Case Number—TANF
6. Disposition

B. The Social Security Number is readily available. States use Social

Security Numbers to carry out the requirements of the Income and Eligibility Verification System under sections 409 and 1137 of the Act. States may use this number to share information between agencies. We would use this information for statistical purposes only, e.g., for evaluation of the WtW program as required in section 413(j) of the Act and research as required in section 413(g) of the Act.

C. Section 411(a)(1)(A)(xviii)(III) requires reporting of the wages paid to any participant in subsidized employment or on-the-job training. For more accurate data, we have broken "wages paid" in two elements: average hourly wages and average hours of work.

We recognize that requiring States and Tribes to report the disaggregated Emergency TANF data elements on all WtW participants may be viewed as burdensome and may appear somewhat duplicative without new coordination efforts. However, section 411(a)(1) of the Act requires that all enumerated data elements be reported for affected individuals and families. Therefore, States and Tribes must report the disaggregated Emergency TANF data elements in all WtW participants.

In addition, it should be noted that the "TANF data elements" in the Emergency TANF Data Report will be superseded by the reporting requirements in the TANF final rule. To the extent that these data elements are revised in the final rule, States and Tribes may need to amend their reporting systems to meet the modified requirements.

We have not specified how States and Tribes will collect and report the data specified in this interim final rule which will be a part of the common reporting form. After further discussion and consultation with State TANF and workforce agencies, Tribes, PICs, and others, DHHS and DOL plan to facilitate technical assistance in identifying effective approaches to linking and merging TANF and WtW data.

Our expectation, however, is that one State or Tribal agency will be responsible for reporting all of the data to us. Several preliminary options have been identified:

- A State may collect intake and WtW information from the participant and obtain the TANF information from the TANF program.
- How States report data offers an option for reduced reporting burden. For example, States and Tribes which report universe data on their TANF recipient population could report universe data on WtW participants.

DHHS would match these data sets at the federal level.

- In the early days of implementing the program, it may be more feasible and efficient for States and Tribes to obtain both the TANF and WtW data from the participant.

Must the Data be Filed Electronically? (Section 276.4)

This section requires that State and Tribes submit data electronically. DHHS will develop and provide a pc-based software package for State and Tribal use. This will facilitate electronic data entry and transmission for each quarterly report.

We have included this requirement for the following reasons. OMB requires Federal agencies to evaluate whether the burden on respondents can be reduced by the use of automatic, electronic, mechanical, or other technological collection techniques. DHHS, along with other federal agencies, has for many years encouraged programs and grantees to use such non-paperwork approaches to meet data collection requirements. We believe all State and Tribes administering the WtW program have electronic reporting capability.

Therefore, we conclude that electronic submission of these data will not be a burden on States and that requiring electronic submission of these reports will reduce paperwork and administrative burden, be less expensive and time-consuming, and be more efficient for both States and the Federal government.

May States and Tribes Use Sampling? (Section 276.5)

Section 411(a)(1)(B) of the Act permits States and Tribes to meet the disaggregated data collection and reporting requirements by submitting data based on the use of a scientifically acceptable sampling method approved by DHHS. (States and Tribes may not submit aggregated data based on a sample.)

We have provided a definition of "scientifically acceptable sampling method" in paragraph (b) of this section. This definition reflects generally acceptable statistical standards for selecting samples and is consistent with existing ACF statistical policy. (See appendix B for a summary of the WtW sampling specifications.)

Various options are available to States and Tribes if they choose to provide data based on sampling. A State (or Tribe) may draw a WtW sample independently from the TANF sample, or it may choose to use a combined, stratified TANF-WtW sample in which WtW families are identified by their

individual stratum code, e.g., an integrated sample. DHHS will approve a State's (Tribe's) sampling plan including sample sizes, sampling frames, and use of stratified and non-stratified samples. In addition, States and Tribes may wish to consider the following:

- If a State (or Tribe) transmits the Emergency TANF Data Report for its entire caseload, it will not need to re-transmit these data for WtW families.
- If a State (or Tribe) transmits the Emergency TANF Data Report based on a separate sample of its monthly caseload, it must report the disaggregated data from the Emergency TANF Data for all WtW families as part of its WtW transmission.
- If a State (or Tribe) transmits data based on a combined TANF/WtW sample design, it will not need to re-transmit the TANF data as it will be a part of the combined transmission.

Applicability of Other Statutory Provisions

As mentioned earlier, we have addressed in this rule only those topics specific to WtW and have not included items that were addressed in the TANF Notice of Proposed Rulemaking, such as when reports are due, requirements for complete and accurate data, and the penalty on States for failure to submit timely reports.

Since WtW data collection is not separate from TANF data collection activity, but is an integral part of such activity, the same statutory time frames, compliance, and penalty provisions that apply to TANF also apply to the WtW data collection activity. Currently, we are considering the issues raised by the comments to the TANF NPRM and will address them in the final TANF rule. It would be inappropriate for us to impose policies now on an interim final basis.

Further, the statute in section 409(a)(2) of the Act generally provides enough authority to impose any necessary penalties (i.e., for failure to submit quarterly reports within 45 days after the end of the quarter) that might be required before the TANF rules are finalized. (The penalty is taken against the State's family assistance grant.) We will address these matters in the final WtW rule.

We welcome comments on any provisions of the TANF data collection sections in the NPRM (part 275) that may be problematic and any constructive suggestions that would improve the implementation of these WtW data reporting requirements.

We are currently reviewing the comments on the TANF NPRM and plan to publish a final rule. After the close of

the comment period on this interim final rule, we will publish a final rule, the content of which will be codified in the Code of Federal Regulations as a part of the TANF regulations. Part 276 will be vacated.

IV. Regulatory Impact Analyses

A. Executive Order 12866

Executive Order 12866 requires that regulations be drafted to ensure that they are consistent with the priorities and principles set forth in the Executive Order. The Department has determined that this interim final rule is consistent with these priorities and principles.

The Executive Order encourages agencies, as appropriate, to provide the public with meaningful participation in the regulatory process. With DOL, we have held consultations with national organizations representing State and local government and PICs, representatives of State agencies administering the WtW and the TANF programs, and other. We have considered their comments and suggestions in preparing this rule. Although this interim final rule is effective upon publication, we are providing an opportunity for a comment period of 60 days. We will consider all comments received in response to this rule in determining what changes are appropriate before issuing a final rule.

We do not believe that this regulatory action will:

- Have an annual effect on the economy of \$100 million dollars or more or any adverse effects on the efficient functioning of the economy, private market (including productivity, employment, and competitiveness), health, safety, the natural environment, individuals, States, Indian tribes, and other entities;
- Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or
- Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in Executive Order 12866.

The statute contains specific data collection requirements. The data elements in the WtW Data Report do not go beyond those explicitly stated in the statute, except for those necessary for the administration of a data collection system, the individual's Social Security Number, and one breakout item. The Social Security Number may be helpful to States and Tribes in sharing participant data between the TANF and the WtW programs.

Overall, our assessment of this interim final rule indicates that it represents the least burdensome approach to the collection of these data.

B. Regulatory Flexibility Analysis

The Regulatory Flexibility Act (5 U.S.C. Ch. 6) requires the Federal government to anticipate and reduce the impact of rules and paperwork requirements on small businesses and other small entities. Small entities are defined in the Act to include small businesses, small non-profit organizations, and small governmental entities. This rule will affect only a maximum of 50 States, the District of Columbia, certain Indian tribes, and certain territories. Therefore, the Secretary certifies that this rule will not have a significant impact on small entities.

C. Paperwork Reduction Act

As required by the Paperwork Reduction Act, we have, under emergency procedures, submitted these WtW data collection requirements to OMB for review and approval for an initial 180 day period. We are concurrently using this interim final rule as a vehicle for seeking comment from the public on these information collection requirements as part of the regular OMB review and approval process. This concurrent review process will assure continuity of data collection and reporting after expiration of the 180 day approval obtained under emergency procedures. Affected parties do not have to comply with the information collection requirements until we publish the control numbers assigned to the requirements by OMB under the Paperwork Reduction Act of 1995.

This rulemaking requires that States report quarterly, on all WtW participants, the WtW data elements in this rule and the disaggregated TANF data elements in the Emergency TANF Data Report (Form ACF-198, OMB Number 0970-0164, expires September 30, 1998). Indian tribes must also report quarterly, on all WtW participants, the WtW data elements in this rule and the disaggregated TANF data elements in the Interim Tribal TANF Data Report (Form ACF-343, issued May 6, 1998, OMB Number 0970-0176, expires December 31, 1998). In order to facilitate the review and public comment on the WtW reporting requirements, we have published the WtW data elements for the quarterly report as appendix A.

The WtW Data Report consists of two sections: one section of 22 disaggregated case-record data elements and one section of 10 aggregated data elements.

We need this information collection to meet the requirements of section 5001(e) of the Balanced Budget Act of 1997, which amended section 411(a) (Data Collection and Reporting) of the Social Security Act.

We do not believe the requirement to report the TANF data elements and the WtW data elements for individuals participating in the WtW program necessarily creates a duplicate reporting burden. It does, however, offer an opportunity for coordination between State and local WtW formula grant agencies and TANF agencies. As a part of the joint WtW information strategy, DHHS and DOL will issue guidance and facilitate technical assistance to help States and Tribes meet these requirements.

To assist grantees in reporting electronically, we will provide a pc-based software package to facilitate data entry and transmission for each quarterly report. We welcome comments on how the burden can be further reduced.

The maximum number of respondents for this data collection are the 50 States of the United States, the District of Columbia, Guam, Puerto Rico, and the United States Virgin Islands. (**Note:** Not all States have currently elected to receive WtW formula grants.) We also expect approximately seven Indian tribes to operate both a TANF program and a Welfare-to-Work program and become respondents.

The estimated reporting burden in this rulemaking applies only to the data elements specified in this regulation. DOL and DHHS will estimate the total burden for the common reporting form in the Paperwork Reduction Act Notice to be published in the new future.

In calculating the estimates of the reporting burden, we assumed that most States (but no Indian tribes), would collect the data by means of a sample.

The annual burden estimates include any time involved collecting information, pulling records from files, abstracting information, returning records to files, assembling any other material necessary to provide the requested information, coordinating with other agencies, and transmitting the information.

In developing the estimate of paperwork burden, we consulted with knowledgeable Federal officials and researched the burden estimates for similar data collections that OMB has approved or is considering.

Instrument or requirement	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
Welfare-to-Work Data Report—§ 276.3 (e)	61	4	164	40,048
Disaggregated data from the Emergency TANF Data Report (ACF-198) and from the Interim Tribal TANF Report (ACF-343)—§ 276.3 (c) and (d)	61	4	248	60,512

Estimated Total Annual Burden Hours: 100,560.

The estimate for reporting the disaggregated TANF data from the Emergency TANF and the Interim Tribal TANF Data Reports (as specified in § 276.3 (c) and (d)) is more than one-third less than the burden hours for reporting all data in these reports. Earlier, we estimated an annual total of 97,416 hours to report the Emergency TANF data; since we are requiring that States report only the disaggregated TANF data (not the aggregated data) on WtW participants, we estimate the total annual burden hours to be 60,512 hours.

We encourage State, Indian tribes, organizations, individuals, and other parties to submit comments in writing regarding the information collection requirements to the Administration for Children and Families, Office of Information Services, Division of Information Resource Management Services, 370 L'Enfant Promenade SW., Washington, DC 20447, Attn: ACF Reports Clearance Officer.

To ensure that public comments have maximum effect in developing the final regulations, we urge that each comment clearly identify the specific section or sections of the interim final rule or the WtW data collection form that the comment addresses and follow the same order as the regulations and forms.

We will consider comments by the public on this collection of information in:

- evaluating whether the collections are necessary for the proper performance of our functions, including whether the information will have practical utility;
- evaluating the accuracy of our estimate of the burden of the collections of information, including the validity of the methodology and assumptions used, and the frequency of collection;
- enhancing the quality, usefulness, and clarity of the information to be collected; and
- minimizing the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technology, e.g., the electronic submission of responses.

As discussed earlier, in order to expedite the collection of information

contained in this interim final rule, we have concurrently, on a separate track, requested an initial 180 day approval under OMB's emergency processing procedures. OMB is required to make a decision on this emergency request within 15 days.

We encourage States, Indian tribes, organizations, individuals, and other parties to submit comments in writing regarding the emergency collection requirements to the Office of Information and Regulatory Affairs, OMB, Room 3208, New Executive Office Building, 725 17th Street, Washington, DC 20503, ATTN: Desk Officer for ACF.

D. Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 (Unfunded Mandates Act) requires that a covered agency prepare a budgetary impact statement before promulgating a rule that includes any Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any one year.

If a covered agency must prepare a budgetary impact statement, section 205 further requires that it select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with the statutory requirements. In addition, section 203 requires a plan for informing and advising any small government that may be significantly or uniquely impacted by the interim final rule.

We have determined that the interim final rule will not result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of more than \$100 million in any one year. Accordingly, we have not prepared a budgetary impact statement, specifically addressed the regulatory alternatives considered, or prepared a plan for informing and advising any significantly or uniquely impacted small government.

E. Congressional Review

This interim final rule is not a "major" rule as defined in 5 U.S.C., Chapter 8.

F. Effective Date and Absence of Notice and Comment

DOL has awarded WtW grants and State and Indian tribes have begun implementing these grants. Pursuant to 5 U.S.C. 553(b)(B), we have determined that the statutory mandate to begin information collection as soon as States and Tribes begin implementing the grants constitutes good cause for waiving notice and comment proceedings.

In addition we have determined, pursuant to 5 U.S.C. 553(d)(3), that the WtW statutory mandate provides good cause for waiving the customary requirement to delay the effective date of a final rule for 30 days following its publication. The short statutory duration of the WtW grants program underscores the importance of beginning WtW information collection at the earliest possible date.

Accordingly, the issuance of a proposed rule, rather than an interim final rule, or delaying the effective date for 30 days, would be contrary to the public interest. This interim final rule sets a comment period to elicit any concerns raised by the rule. We have limited this comment period to 60 days so that any input is received in time for us to review it in considering any revisions to Part 276 while the WtW grants program is still in its early stages of operation.

List of Subjects in 45 CFR Part 276

Administrative practice and procedure, Employment, Manpower training programs, Penalties, Public assistance programs, Reporting and recordkeeping requirements, Vocational education.

(Catalogue of Federal Domestic Assistance Programs: 17.253 Employment and Training Assistance—Welfare-to-Work Grants to States and Local Entities for Hard-to-Employ Welfare Recipient Programs; 93.558 TANF Programs—State Family Assistance Grants, Assistance Grants to Territories, Matching Grants to Territories, Supplemental Grants for Population Increases and Contingency Fund; 93.559—Loan Fund; and 93.595—Welfare Reform Research, Evaluations and National Studies)

Dated: June 4, 1998.

Olivia A. Golden,

Assistant Secretary for Children and Families.

Approved: July 28, 1998.

Donna E. Shalala,

Secretary, Department of Health and Human Services.

For the reasons set forth in the preamble, part 276 is added to 45 CFR chapter II as follows:

PART 276—DATA COLLECTION AND REPORTING REQUIREMENTS FOR STATES AND INDIAN TRIBES UNDER WELFARE-TO-WORK GRANTS

Sec.

276.1 What does this part cover?

276.2 What definitions apply to this part?

276.3 What data must States and Indian

Tribes file on individuals and families participating in the WtW program?

276.4 Must the data be filed electronically?

276.5 May States and Indian tribes use sampling?

Authority: 42 U.S.C. 603 and 611.

§ 276.1 What does this part cover?

(a) This part explains what information we will collect from States and Indian tribes on individuals and families participating in the Welfare-to-Work (WtW) grants program.

(b) This part also specifies electronic filing and sampling requirements.

§ 276.2 What definitions apply to this part?

The following definitions apply to this part:

ACF means the Administration for Children and Families.

Act means Social Security Act.

State means the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

TANF means The Temporary Assistance for Needy Families Program.

WtW program means the Welfare-to-Work grants authorized by sections 403(a)(5)(A) or 412(a)(3) of the Act.

§ 276.3 What data must States and Indian tribes file on individuals and families participating in the WtW program?

(a) Each State that receives a grant under section 403(a)(5)(A) must collect on a monthly basis, and file on a quarterly basis, information on all individuals and families participating in the WtW program.

(b) Each Indian tribe that receives a grant under both section 412(a)(1) and section 412(a)(3) must collect on a monthly basis, and file on a quarterly basis, information on all individuals and families participating in the WtW program.

(c) States must file the disaggregated information in the Emergency TANF

Data Report (TANF-ACF-PI-97-6, issued September 30, 1997, OMB Number 0970-0164, expires September 30, 1998) and the WtW Data Report.

(d) Indian tribes must file the disaggregated information in the Interim Tribal TANF Data Report (ACF Form 343, issued May 6, 1998, OMB Number 0970-0176, expires December 31, 1998) and the WtW Data Report.

(e) The WtW Data Report consists of two sections:

(1) Section One consists of disaggregated data on individuals. It specifies identifying and demographic data, such as the individual's Social Security Number and information on employment and terminations. It also includes total dollar expenditures associated with an individual's participation in specified work activities.

(2) Section Two consists of aggregated data on families participating in the WtW program. This section also includes two items of expenditure data.

§ 276.4 Must the data be filed electronically?

Each State and Indian tribe must file the information required in this part electronically, based on format specifications we will provide.

§ 276.5 May States and Indian tribes use sampling?

(a) Each State and Indian tribe may report the disaggregated data on all WtW participants or on a sample of participants selected through the use of a scientifically acceptable sampling method that we have approved. States and Tribes may not use a sample to generate the aggregate data.

(b) "Scientifically acceptable sampling method" means a probability sampling method in which every sampling unit in the population has a known, non-zero chance to be included in the sample, and our sample size requirements are met.

Note: The following appendices will not appear in the Code of Federal Regulations.

Appendices

Appendix A—Welfare-to-Work Data Report

Section One: Disaggregated Data Collection for Families and Individuals Participating in the WtW Grant Program

Section Two: Aggregated Data Collection for Families and Individuals Participating in the WtW Grant Program

Appendix B—WtW Sampling Specifications

Appendix C—Statutory Reference Table for the Welfare-to-Work Data Report

Section One: Disaggregated Data Collection for Families and Individuals Participating in the WtW Grant Program

Section Two: Aggregated Data Collection for Families and Individuals Participating in the WtW Grant Program

WTW Interim Final Rule Appendix A—

Welfare-to-Work Data Report—Section One Disaggregated Data Collection for Families and Individuals Participating in the Welfare-to-Work Grant Program

Instructions and Definitions

General Instruction: Under the statute, States and certain Indian Tribes are required to collect data on families and individuals participating in the Welfare-to-Work (WtW) Program. These data are to be collected on a monthly basis and reported on a quarterly basis to the Secretary of the Department of Health and Human Services. (DHHS). Quarterly reports are due 45 days after the close of the quarter.

The State or Tribe should collect and report data for each data element, unless explicitly instructed to leave the field blank.

State FIPS Code: Enter your two-digit State code from the following listing. These codes are the standard codes used by the National Bureau of Standards. Tribes should enter "00" for this field.

State	Code
Alabama	01
Alaska	02
American Samoa	60
Arizona	04
Arkansas	05
California	06
Colorado	08
Connecticut	09
Delaware	10
Dist. of Columbia	11
Florida	12
Georgia	13
Guam	66
Hawaii	15
Idaho	16
Illinois	17
Indiana	18
Iowa	19
Kansas	20
Kentucky	21
Louisiana	22
Maine	23
Maryland	24
Massachusetts	25
Michigan	26
Minnesota	27
Mississippi	28
Missouri	29
Montana	30
Nebraska	31
Nevada	32
New Hampshire	33
New Jersey	34
New Mexico	35
New York	36
North Carolina	37
North Dakota	38
Ohio	39
Oklahoma	40
Oregon	41
Pennsylvania	42
Puerto Rico	72
Rhode Island	44
South Carolina	45

State	Code
South Dakota	46
Tennessee	47
Texas	48
Utah	49
Vermont	50
Virgin Islands	78
Virginia	51
Washington	53
West Virginia	54
Wisconsin	55
Wyoming	56

Tribal Code: For Indian Tribes, enter the three-digit Tribal code that represents your Tribe (See attached appendix for a complete listing of Tribal Codes.) States should leave this field blank.

Reporting Month: Enter the four-digit year and two-digit month code that identifies the year and month for which the data are being reported.

Stratum: Guidance: States and Tribes may submit data for their entire caseload or for a sample of families (cases). If a State or Tribe opts to provide data for its entire caseload, enter the same stratum code (any two-digit number) for each WtW family. All WtW families selected in a sample from the same stratum must be assigned the same stratum code. Valid stratum codes may range from "00" to "99". States and Tribes with stratified samples should provide the ACF Regional Office with a listing of the numeric codes utilized to identify any stratification.

Instruction: Enter the two-digit stratum code.

Case Number—TANF: Enter the number assigned by the State TANF agency or Tribal TANF grantee to uniquely identify the family participating in the WtW Programs. If the WtW participant is no longer a member of a TANF family, use the case number previously assigned to the TANF family. For a non-custodial parent participating in the WtW Program, use the TANF case number for the family that includes his(her) child.

Disposition—WtW: Guidance: A family that did not have any family member participating in the WtW Program for the reporting month but was included in the monthly sample frame is "listed in error."

Instruction: Enter one of the following codes for the WtW family.

- 1 = Data collection completed
- 2 = Not subject to data collection/listed in error

Person Level Data

This section allows for coding up to six family members participating in the WtW Program. If, for the reporting month, a noncustodial parent is participating in WtW activities funded under section 403(a)(5)(A) or 412 (a)(3), the noncustodial parent must also be reported in this section as a member of the related TANF family.

7. Social Security Number: Enter the participant's nine-digit Social Security Number in the format nnnnnnnnn.

Employment Data

For participants who are employed during the reporting month, complete this section.

8. Average Hourly Wages: If the family member is engaged in subsidized

employment or on-the-job training under the WtW Program or if the family member's participation in the WtW activity was terminated during the reporting month due to obtaining employment, enter the average hourly wages paid (e.g., \$9.50 per hour) for the reporting month.

9. Average Hours of Work: If the family member is engaged in subsidized employment or on-the-job training under the WtW Program, enter the average hours of work per week for the reporting month.

10. Wage Subsidy: If the family member is engaged in subsidized employment or on-the-job training under the WtW Program, enter the total amount of any wage subsidy provided from Federal or State (Tribal) funds for the reporting month.

Data on Amount Expended by Type of Activity

Enter the total dollar expenditures for the reporting month that are associated with the individual's participation in each of the WtW activities listed below. Estimates based on "Generally Accepted Accounting Principles" for cost allocation processes are acceptable. These costs must include Federal and State expenditures and are exclusive of administrative costs.

- 11. Community Service:
- 12. Work Experience Program:
- 13. Public Sector Employment Wage Subsidy:
- 14. Private Sector Employment Wage Subsidy:
- 15. On-the-Job Training:
- 16. Job Readiness:
- 17. Job Placement Services:
- 18. Post-Employment Services:
- 19. Job Retention Services:
- 20. Supportive Services:

Termination Data

If the family member's participation in the WtW activity was terminated during the reporting month, complete the questions in this section. Otherwise, leave these data elements blank.

21. Reason for Termination of Participation in Welfare-to-Work Activity: If the family member's participation in the WtW activity was terminated during the reporting month, enter the one-digit code that indicates the reason for termination.

- 1 = Obtained unsubsidized employment
- 2 = Obtained subsidized employment
- 3 = Engaged in another work activity (as defined under Section 407(d) of Act for the TANF Program)
- 4 = Engaged in other training
- 5 = Increased wages
- 9 = Other

Welfare-to-Work Data Report—Section Two Aggregated Data Collection for Families and Individuals Participating In the Welfare-to-Work Grant Program

Instructions and Definitions

1. State FIPS Code: Enter your two-digit State code. Tribes should enter "00" for this field.

2. Tribal Code: For Indian Tribes only, enter the three-digit Tribal code that represents your Tribe. States should leave this field blank.

3. Calendar Quarter: The four calendar quarters are as follows:

- First quarter—January—March
- Second quarter—April—June
- Third quarter—July—September
- Fourth quarter—October—December

Enter the four-digit year and one-digit quarter code (in the format YYYYQ) that identifies the calendar year and quarter for which the data are being reported (e.g., second quarter of 1997 is entered as "19972").

Participating Families

For purposes of completing this report, include all families and individuals participating in services under the Welfare-to-Work (WtW) Program. All counts of families and individuals should be unduplicated monthly totals.

4. Total Number of Families: Enter the number of families that participated in the State (Tribal) WtW Programs for each month of the quarter.

- A. First Month:
- B. Second Month:
- C. Third Month:

5. Total Number of Participants: Enter the total number of participants in the State (Tribal) WtW Program for each month of the quarter.

- A. First Month:
- B. Second Month:
- C. Third Month:

6. Total Number of Non-Custodial Parents: Enter the total number of non-custodial parents participating in the State (Tribal) WtW Programs for each month of the quarter.

- A. First Month:
- B. Second Month:
- C. Third Month:

7. Total Number of Families Terminated: For each month of the quarter, enter the number of families whose participation in the State (Tribal) WtW Program was terminated.

- A. First Month:
- B. Second Month:
- C. Third Month:

8. Total Number of Participants Terminated: For each month of the quarter, enter the total number of participants whose participation in the State (Tribal) WtW Program was terminated.

- A. First Month:
- B. Second Month:
- C. Third Month:

9. Total Number of Non-Custodial Parents Terminated: Enter the total number of non-custodial parents whose participation in the State (Tribal) WtW Program was terminated for each month of the quarter.

- A. First Month:
- B. Second Month:
- C. Third Month:

Expenditures

10. Total Expenditures: Enter the dollar value of all expenditures under the State (Tribal) WtW Program for the quarter. Round the amount of expenditure to the nearest dollar.

11. Administrative Cost: Enter the total dollar value of the WtW funds that were used

to cover administrative cost or overhead incurred in the WtW Programs for the quarter.

Appendix B—WtW Sampling Specifications

Title IV—A of the Social Security Act (Act), as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, establishes the Temporary Assistance for Needy Families (TANF) program, which contains the data collection and reporting requirements for the State and Indian Tribal TANF Programs. The statute also gives States and Indian Tribes the authority to use scientifically acceptable sampling methods to comply with the data collection and reporting requirements of Section 411(a) of the Act. The Balanced Budget Act of 1997 amended the TANF program and established the Welfare-to-Work (WtW) program to help those welfare recipients with the greatest barriers to employment begin engaging in work activities and move from welfare assistance to permanent employment.

As amended, section 411(a) establishes as the WtW data collection and reporting requirements that all 411 (a) data (i.e., both the existing TANF data elements and the newly-added WtW data elements) must be reported for families and individuals participating in services funded under the WtW Program.

Listed below are the basic sampling specifications that States and Tribes must use

until issuance of the final regulation. If a State (Tribe) opts to use sampling procedures and sample sizes, it must use an acceptable sampling methodology and sufficient large samples to make estimates over various sub-populations, e.g., the WtW expenditures by type of WtW service.

12. Sample Methodology

The standard statistical methodologies for sample selection are methods that conform to principles of probability sampling, e.g., for WtW, each family in the population of interest has a known, non-zero probability of selection into the sample and computational methods of estimation lead to a unique estimate. Suggested methods of sample selection include systematic random sampling and simple random sampling.

13. Sample frame(s)

For the families participating in services under the State (Tribal) WtW Program (i.e., the active sample), the monthly WtW sample frame must consist of an unduplicated list of all families with an individual(s) participating in services under the State (Tribal) WtW program.

14. Sample Size Requirement

If a State (Tribe) opts to report data for a sample of WtW families, sample size must be sufficiently large to obtain estimate with relative high precision. Listed below are the sample size requirements.

a. The minimum annual required sample size for families participating in services

under the State (Tribal) WtW Program (i.e., the active WtW sample) is 1600 families. The 1600 families represents the number of case months for which data is collected and reported out of the total number of case months for which families participated in WtW services; (e.g., if a State has an average monthly WtW caseload of 1,000 families, it has a total of 12,000 case months).

b. The Statute requires States (Tribes) to collect data on a monthly basis and report data on a quarterly basis. Therefore, States (Tribes) must construct a sample frame for each month in the annual sample period and select approximately one-twelfth of the annual sample size from each monthly sample frame (approximately 133 families are to be selected each month from the above example).

d. Insufficient number of families on listing to meet minimum sample size requirements:

If a State (Tribe) does not have enough families participating in services under the WtW Program to meet the required annual sample size, the State (Tribe) should select 100% of such families.

f. Each State (Tribe) must submit the total unduplicated number of families participating in services under the State (Tribal) WtW Program by stratum for each month in the annual sample period. This data is required for weighting the sample results in order to produce estimates for the entire caseload.

APPENDIX C—WTW INTERIM FINAL RULE: STATUTORY REFERENCE TABLE FOR THE WELFARE-TO-WORK DATA REPORT—SECTION ONE

[Disaggregated Data Collection for Families and Individuals Participating in the Welfare-to-Work Grant Program]

Data elements	Justification
1. State FIPS Code	Implicit in administering data collection system.
2. Tribal Code	Implicit in administering data collection system.
3. Reporting Month	Implicit in administering data collection system.
4. Stratum	Implicit in administering data collection system.
5. Case Number—TANF	Implicit in administering data collection system.
6. Disposition—WtW	Implicit in administering data collection system.
7. Social Security Number	This information is readily available. States use Social Security Numbers to carry out the requirements of IEVS (see sections 409(a)(4) and 1137 of the Act). States may use it as the link with TANF records. We need this information for statistical purposes, such as evaluation of the WtW Program as required in section 413(j) and research as required in section 413(g) of the Act.
8. Average Hourly Wages	Section 411(a)(1)(A)(xviii)(III) requires States to report the wages paid to any participant in subsidized employment or on-the-job training. For more accurate reporting, "wages paid" is broken into average hourly wages and average hours of work.
9. Average Hours of Work	Section 411(a)(1)(A)(xviii)(III) requires States to report the wages paid to any participant in subsidized employment or on-the-job training. For more accurate reporting, "wages paid" is broken into average hourly wages and average hours of work. Section 411(a)(1)(A)(xviii)(IV).
10. Wage Subsidy	Required under section 411(a)(1)(A)(xviii)(III).
11. Community Service	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).
12. Work Experience Program	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).
13. Public Sector Employment Wage Subsidy ...	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).
14. Private Sector Employment Wage Subsidy	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).
15. On-the-Job Training	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).
16. Job Readiness	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).
17. Job Placement Services	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).

APPENDIX C—WTW INTERIM FINAL RULE: STATUTORY REFERENCE TABLE FOR THE WELFARE-TO-WORK DATA REPORT—
SECTION ONE—Continued

[Disaggregated Data Collection for Families and Individuals Participating in the Welfare-to-Work Grant Program]

Data elements	Justification
18. Post-Employment Services	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).
19. Job Retention Services	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).
20. Supportive Services	Section 411(a)(1)(A)(xviii) (I) and (II) requires that States report the total amount expended during the month for each participant for each activity specified in section 403(a)(5)(C)(i).
21. Reason for Termination of Participation in WtW Activity.	Section 411(a)(1)(A)(xviii)(IV).

STATUTORY REFERENCE TABLE FOR THE WELFARE-TO-WORK DATA REPORT—SECTION TWO

[Aggregated data collection for families and individuals participating in the Welfare-to-Work Grant Program]

Data elements	Justification
1. State FIPS Code	Implicit in administering data collection system.
2. Tribal Code	Implicit in administering data collection system.
3. Calendar Quarter	Implicit in administering data collection system.
4. Total Number of Families	Section 411(a)(6).
5. Total Number of Participants	Section 411(a)(6).
6. Total Number of Non-Custodial Parents	Section 411(a)(4).
7. Total Number of Families Terminated	Section 411(a)(6).
8. Total Number of Participants Terminated	Section 411(a)(6).
9. Total Number of Non-custodial Parents Terminated.	Section 411(a)(4).
10. Total Expenditures	Section 411(a)(3).
11. Administrative Cost	Section 411(a)(2).

[FR Doc. 98-28840 Filed 10-28-98; 8:45 am]

BILLING CODE 4184-01-P

DEPARTMENT OF TRANSPORTATION

Research and Special Programs
Administration

49 CFR Part 171

[Docket No. RSPA-98-4185 (HM-215C)]

RIN 2137-AD15

Harmonization with the United Nations
Recommendations, International
Maritime Dangerous Goods Code, and
International Civil Aviation
Organization's Technical InstructionsAGENCY: Research and Special Programs
Administration (RSPA), DOT.

ACTION: Final rule.

SUMMARY: This final rule amends a requirement for the use of the International Civil Aviation Organization's Technical Instructions for the Safe Transport of Dangerous Goods by Air (ICAO Technical Instructions) and updates references in the Hazardous Materials Regulations (HMR) to include the most recent amendments to the International Maritime Dangerous Goods Code (IMDG Code) and the ICAO Technical

Instructions. These amendments are necessary to facilitate the continued transport of hazardous materials in international commerce by vessel and aircraft at the time these international regulations become effective.

DATES: *Effective date:* January 1, 1999.

Compliance date: Compliance with the regulation as amended in § 171.11(d)(4)(ii) is authorized immediately.

Incorporation by reference: The incorporation by reference of the publications listed in these amendments has been approved by the Director of the Federal Register effective January 1, 1999.

FOR FURTHER INFORMATION CONTACT: Bob Richard, Assistant International Standards Coordinator, telephone (202) 366-0656, or Joan McIntyre, Office of Hazardous Materials Standards, telephone (202) 366-8553, Research and Special Programs Administration, U.S. Department of Transportation, 400 Seventh Street, S.W., Washington, D.C. 20590-0001.

SUPPLEMENTARY INFORMATION: On August 18, 1998, RSPA published a notice of proposed rulemaking (NPRM) under Docket HM-215C (63 FR 44312) which proposed changes to more fully align the HMR with the international regulations. Among the changes, RSPA proposed to amend the HMR to

incorporate by reference the 1999-2000 ICAO Technical Instructions and Amendment 29 to the IMDG Code, and to make a shipping paper requirement notation permissive. RSPA received no adverse comments to these proposals. Therefore, these changes are adopted in this final rule.

Section 171.11 of the HMR authorizes hazardous materials shipments to be prepared in accordance with the ICAO Technical Instructions and transported by aircraft, and by motor vehicle either before or after being transported by aircraft, subject to certain conditions and limitations. Similarly, § 171.12 of the HMR authorizes hazardous materials shipments to be prepared in accordance with the IMDG Code if all or part of the transportation is by vessel, subject to certain conditions and limitations. Use of the latest versions of the ICAO Technical Instructions and the IMDG Code become mandatory for international hazardous materials shipments on January 1, 1999.

This final rule also amends a shipping paper requirement for the use of the ICAO Technical Instructions. In § 171.11(d)(4), as adopted under Docket HM-215B (FR 62 24700), published May 6, 1997, the letters "ICAO" were required to be included on shipping papers when being transported in accordance with the ICAO Technical