

<b>TRAINING AND EMPLOYMENT NOTICE</b>	<b>NO.</b> 14-19
	<b>DATE</b> January 13, 2020

**TO:** STATE WORKFORCE AGENCY ADMINISTRATORS  
STATE UNEMPLOYMENT INSURANCE DIRECTORS  
STATE LABOR MARKET INFORMATION DIRECTORS

**FROM:** JOHN PALLASCH /s/  
Assistant Secretary

**SUBJECT:** Importance of Including Labor Market Information Stakeholders in Planning and Implementation for Unemployment Insurance (UI) Information Technology Modernization Projects

1. **Purpose.** The Employment and Training Administration (ETA) and the Bureau of Labor Statistics (BLS) jointly remind State Workforce Agencies (SWAs) responsible for the administration of the UI program that state Labor Market Information (LMI) offices are important stakeholders and partners when states are modernizing their UI information technology (IT) benefits and tax systems and need to be included throughout the lifecycle of a modernization project. Concurrent with the publication of this Training and Employment Notice (TEN), BLS is issuing a LMI Administrative Memorandum with the same content as this TEN.
2. **Action Requested.** State Administrators are requested to provide this information to appropriate UI and LMI staff for their consideration and to support LMI staff engagement in UI IT modernization projects.
3. **Summary and Background.**
  - a. Summary – ETA and BLS jointly remind SWAs responsible for the administration of the UI program that state LMI offices are important stakeholders and partners when states are modernizing their UI IT benefits and tax systems and need to be included throughout the lifecycle of a UI IT modernization project. Concurrent with the publication of this Training and Employment Notice (TEN), BLS is issuing a LMI Administrative Memorandum that duplicates this TEN.
  - b. Background – The UI data files are key inputs for several federal statistical programs. These data files are the source of one of the most important administrative databases, the Quarterly Census of Employment and Wages (QCEW). They are also a vital input for Local Area Unemployment Statistics (LAUS) estimation. The QCEW and LAUS programs are administered by BLS and rely on close coordination between each state’s UI office and LMI office to ensure timeliness and accuracy. When engaging in UI IT modernization activities, it is important to consider the downstream impact of changes to data files because they can significantly impact files, interfaces, and processes that are critical for the reporting of accurate data to BLS.

ETA, in partnership with the UI Information Technology Support Center (ITSC), operated by the National Association of State Workforce Agencies' Center for Employment Security Education and Research (CESER), developed a Pre-Implementation Checklist to help states, contractors, and IT professionals in modernizing their UI IT systems. The most recent version of the checklist was transmitted in TEN No. 29-18 and can be found at [https://wdr.doleta.gov/directives/corr\\_doc.cfm?docn=5427](https://wdr.doleta.gov/directives/corr_doc.cfm?docn=5427). It stipulates the variety of ways in which UI systems impact federal and state operations and provides items to consider when engaging in UI IT modernization efforts, including the importance of collaborating with state LMI offices.

4. **The Vital Importance of the UI, QCEW, and LAUS.** ETA and BLS have partnered to develop the attached information in Appendix A on the importance of the QCEW and LAUS programs to SWAs and nationally. It also discusses issues associated with the Employer Quarterly Contributions Report (QCR) that need to be considered. ETA and BLS once again strongly encourage state UI agencies and LMI offices to actively collaborate in the context of UI IT modernization projects to ensure that valuable LMI resources are maintained. In addition to ETA's TEN No. 29-18, "Enhanced Pre-Implementation Planning Checklist for State UI IT Modernization Projects," referenced above, this guidance joins other previously released guidance from ETA and BLS on these issues including:

- A joint letter from ETA and BLS to SWA Administrators and State UI Directors : <https://www.bls.gov/cew/additional-resources/unemployment-insurance-modernization/joint-eta-and-bls-letter-to-states.pdf>
- A BLS website of UI Modernization Information <https://www.bls.gov/cew/unemployment-insurance-modernization/home.htm>

In addition to these types of guidance, the UI ITSC also has resources available for states undergoing UI modernization at <http://itsc.org>. UI ITSC, funded by ETA, provides additional tools and resources for states to support their UI IT modernization projects.

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

6. **References.**

- ETA's TEN, No. 29-18, "Enhanced Pre-Implementation Planning Checklist for State UI IT Modernization Projects" (May 31, 2019).
- BLS's LMI Administrative Memorandum

7. **Attachment.**

- Appendix A: "The Vital Importance of the Unemployment Insurance (UI), Quarterly Census of Employment and Wages (QCEW), and Local Area Unemployment Statistics (LAUS)."