

U.S. Department of Labor  
Employment and Training Administration  
Office of Unemployment Insurance  
Room S-4524  
200 Constitution Avenue NW  
Washington, DC 20210

Attention: OMB Control Number 1205-0527

Re: Comments on Proposed Information Collection Request (ICR)

Thank you for the opportunity to provide comments on the pre-implementation checklist being developed by the US Department of Labor for state workforce agencies to be used when states develop Requests for Proposal for automated systems for administration of Unemployment Insurance.

UWC– Strategic Services on Unemployment & Workers’ Compensation is a national non-profit membership organization representing business in unemployment insurance policy and advocacy. UWC members include employers, third party administrators, national and state business associations, payroll companies, and some state workforce agencies responsible for administration of unemployment insurance.

On April 3, 2026, the US Department of Labor posted the description of the pre-implementation check list for UI Modernization projects for comment.

See [2026-06595.pdf](#)

The pre-implementation checklist was previously provided in [Employment and Training Administration \(ETA\) 9177 Report - Pre-Implementation Planning Checklist Report for State Unemployment Insurance \(UI\) Information Technology \(IT\) Modernization Projects – Additional Updates to the ETA 9177 Report and Reporting Instructions](#)

This pre-implementation check list from 2020 and 2023 would benefit from additions that specifically address items including:

**Authorization of third parties to report UI quarterly wage reports, state unemployment, and federal tax information, and respond to requests for separation and earnings information.**

A substantial majority of State Unemployment Insurance and Federal Unemployment Tax reporting is now provided by Third Party Administrators (TPA) and payroll companies on behalf of employers. This common business practice should be incorporated in new UI automation systems to ensure that information required for

proper administration is available to meet due process and to meet performance measures for UI tax and benefit administration.

*Attached are additional items for the checklist to ensure that new UI systems include measures to enable continued authorization of third-party administrators, and effectively enable authorization for the establishment of Powers of Attorney (POA) and Memoranda of Understanding (MOUs). UWC associates its comments with the comments submitted by the Association of Unemployment Tax Organizations and the National Payroll Reporting Consortium.*

### **Administrative burden for employers and state agencies**

In evaluating the burden of the collection of information there should also be consideration of the cost of failing to address the additional requirements.

UI systems that are vulnerable to fraud are at substantial risk of increased cost not only with respect to increased benefit outlays, but also increased administrative cost associated with the prosecution of fraud and recovery of overpayments.

It is critical that states use the most recent and efficient automated, electronic, mechanical, or other technological collection techniques, including the State Information Data Exchange System (SIDES).

### **Verification of identity of applicants for unemployment insurance benefits and claimants for weekly unemployment compensation before the payment of unemployment compensation.**

New systems should be required to verify the identity of applicants before establishing eligibility and to track weekly eligibility, including verification of claimants being able to work, available to work and actively seeking work before payment of unemployment compensation.

The experience with fraud and identity theft during the COVID emergency was documented by the Government Accountability Office (GAO) and the US DOL Office of Inspector General (OIG). The scale of fraud and improper payments calls for an effective response in UI systems integrity. Recommendations from the GAO, the OIG, and Executive Order 14395, “Establishing the Task Force to Eliminate Fraud” should be considered for adoption by states in the development of new UI systems.

### **The crossmatch and chargeback functions between benefit systems and state contribution/tax systems should include:**

Timely reconciliation of accounts to determine experience and contribution rates, timely notice of charges to employer accounts to enable early identification of identity theft, and the establishment of systems for employers and their representatives to raise issues and protest charges to accounts.

**Other Crossmatches and Reports should be enabled by UI systems including:**

Crossmatches with the IRS for audits and FUTA certification

1099G Reports

Interstate Benefits and Combined Wage Claims

Income Eligibility and Verification System exchanges required by Section 1137 of the Social Security

Child support enforcement information exchange

Failure to address these required reports and crossmatches through automated systems increases administrative cost and the risk of failure to provide information necessary for proper administration.

**Reporting to USDOL**

New UI Modernization Systems should address how the system enables the state to report to USDOL, including associated federally funded unemployment compensation programs (e.g., UCFE, UCX, DUA, EB, EUC, and RESEA).

Respectfully submitted,

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Enclosures Attached