EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210

CLASSIFICATION
UI
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December 13, 2006

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 4-07

TO: STATE WORKFORCE AGENCIES

FROM: EMILY STOVER DeROCCO /s/

Assistant Secretary

Employment and Training Administration

SUBJECT: Continued Access to the Distributed Data Base Index (DDBI) for Unemployment

Insurance (UI) Purposes

- 1. <u>Purpose</u>. To advise state workforce agencies that the transition of oversight responsibility for the Wage Record Interchange System (WRIS) from the National Association of State Workforce Agencies (NASWA) to the Employment and Training Administration (ETA) need not affect the states' data exchange for UI purposes.
- 2. <u>References</u>. Consolidated WRIS Data Sharing Agreement; Interstate Benefits Payment Plan; Interstate Information Exchange Agreement.
- 3. <u>Background</u>. Recently, the NASWA Executive Committee ended NASWA's role as a party to the WRIS Consolidated Data Sharing Agreement. This agreement established the operating conditions and procedures that governed the participation of state UI agencies, NASWA, and the state Performance Accountability and Customer Information Agencies (PACIA) in WRIS. ETA is moving rapidly to have new WRIS agreements in place by January 1, 2007.

The WRIS was designed to facilitate the interstate exchange of UI wage data to assess the performance of individual training providers and state employment and training programs; to submit reports to the Secretary of Labor regarding the performance of workforce investment programs and activities authorized under the Workforce Investment Act (WIA); and to support research and evaluation authorized under the terms of the WRIS Consolidated Data Sharing Agreement.

RESCISSIONS None EXPIRATION DATE December 13, 2007

To implement WRIS, a Distributed Data Base Index (DDBI) was established at the Interstate Connection Network (ICON) hub. The DDBI facilitated the efficient implementation of

WRIS by creating an index of social security numbers (SSNs), provided by participating states' UI agencies, of all individuals for whom employers reported wages for the past eight quarters. This benefited state UI operations by making some interstate activities that operate using ICON more efficient.

Three ICON applications use the DDBI. Those applications, each with a brief description, are as follows:

- a) Interstate Benefits (IB) Quarterly Crossmatch: Allows states to search for individuals with outstanding overpayments.
- b) Reemployment Crossmatch: Matches the SSNs of claimants receiving a first payment in a calendar quarter against wage records for the following quarter.
- c) State Identifier (SID): Immediately identifies the state(s) with wage information on file for a specific SSN for interstate and combined wage claim filing purposes.
- 4. <u>Impact on UI Operations</u>. The NASWA WRIS data sharing agreements ensured that states' UI wage data accessed by a PACIA remained confidential. Although NASWA terminated the WRIS data sharing agreements on October 25, 2006, the DDBI continues to be available for UI purposes and states should continue to populate the DDBI to realize the efficiencies it provides the three applications described above. The exchange of UI wage and claim information for purposes of administration of state and federal unemployment compensation laws operates under the Interstate Information Exchange Agreement that each state has accepted. NASWA's termination of the WRIS data sharing agreements does not impact the exchange of wage and claim data among states for UI purposes.

States are encouraged to continue updating the DDBI during this transition period so that the UI applications listed above will continue to operate effectively. Without the DDBI, SID will not be available, and the IB and Reemployment Crossmatches will not function efficiently. Prior to states' use of the DDBI, these crossmatches required a broadcast to all states of all match requests.

- 5. <u>Action Required</u>. Administrators are requested to provide this information to appropriate staff and to direct staff to continue to provide data to the DDBI.
- 6. <u>Inquiries</u>. Inquiries should be directed to the appropriate Regional Office.