

SUPPORTING STATEMENT FOR APPLICATION FOR EDUCATIONAL ASSISTANCE TO SUPPLEMENT TUITION ASSISTANCE; 38 CFR 21.1030(c), 21.7140(c)(5)

A. Justification.

1. Statute (38 U.S.C. 5101(a)) requires that an individual who desires a benefit that the Department of Veterans Affairs (VA) administers must apply to VA for that benefit. The collection of information is necessary to apply 38 U.S.C. 501 (a), 3014(b), 3034(a) and 5101(a) to claims for educational assistance under the Montgomery GI Bill—Active Duty (MGIB) to supplement tuition assistance provided under a program administered by the Secretary of a military department.

2. VA will use the information to decide whether the claimant should be paid educational assistance to supplement the tuition assistance he or she has received, and if he or she should be paid, the amount to be paid to the claimant.

3. If this application is the individual's first application for educational assistance, it can be filed electronically using VA's online application (VONAPP). Subsequent applications, however, must still be filed on paper. Although it would be possible to provide a system where claimants file supplemental claims electronically, the information VA is asking for in these supplemental claims is so small that it has a lower priority than providing systems to file for other claims electronically. Our ultimate goal, however, is to allow for all claims to be filed electronically.

4. VA is not aware of any duplication of this information collection.

5. The collection of information will not have a significant impact on a substantial number of small entities. Only individuals will supply this information.

6. If VA does not collect this information, it would be impossible to know who is eligible for educational assistance to supplement tuition assistance, and the amount that should be paid to those who are eligible.

7. The collection of this information does not require any special circumstances.

8. The public was informed of its right to comment on this information collection in the preamble of the proposed rule. The proposed rule was published in the Federal Register February 22, 2006 (71 FR 9196).

9. VA does not provide any gifts to respondents.

10. After processing, VA will retain any written documents in an education folder. Education folders are destroyed periodically. If the education folder is destroyed, the documents on which the information is collected will be destroyed also. Our

assurance of confidentiality is covered by our System of Records, Compensation, Pension, Education and Rehabilitation Records - VA(58VA21/22) which is contained in the Privacy Act Issuances, 1999 Compilation.

11. None of the information collected is of a sensitive nature.

12. The estimated annual burden is 3,000 hours. This estimate is determined as follows:

a. The number of claims for tuition assistance top up has been increasing each month. Based on the most recent fiscal year, VA estimates it will receive 15,000 claims for this benefit annually. VA estimates that it would take .2 hours to apply for this benefit.  $15,000 \times .2 = 3,000$  hours.

b. The annual cost to the public is \$51,300. VA estimates that it will take an individual an average of .2 hours to supply the information needed to apply for this benefit. Assuming that the individual's time is valued at \$15.00 per hour, total costs to complete 15,000 applications is \$6,300. In addition there will be postage costs of \$.39 for postage and \$.03 for an envelope.

Summary of Costs to Public

\$45,000	Completion Costs
<u>\$ 6,300</u>	Postage
\$51,300	

13. This information collection does not involve any reporting or recordkeeping costs above those identified in item 12.

14. VA estimates that the total annualized cost to the government to collect the information required by §§ 21.1030(c) and 21.7140(c)(5) is \$110,000 based on 15,000 responses annually. This cost is computed as follows.

a. The processing cost of \$110,000 is based on an estimate that a GS 9/5 employee will have to review each application. The salary for such an employee is \$22.00 per hour. We estimate that it will take .33 hours to review each claim.  $15,000 \times .33 = 5,000$  hours.  $5,000 \times \$22.00 = \$110,000$ .

b. There are no administrative costs associated with forms for this information collection because the proposed rule does not require the use of a VA form.

Summary of Federal Costs:

\$110,000	Processing costs
\$ <u>0</u>	Administration Costs
\$110,000	

15. This is a new collection in support of expanded education benefit.

16. VA does not publish this information or make it available for publication.

17. If the information collection in § 21.1030(c) and 21.7140(c)(5) is approved, VA will not show the expiration date of approval in the Code of Federal Regulations. Generally, OMB approvals are for three years or less. If VA displayed the expiration date, we would be revising regulations for dates routinely. VA will show the OMB control number.

18. This information collection complies with the requirements of 5 CFR 1320.8(b)(3) except as follows. The proposed rule does not contain in its text the estimated burden of the information collection. The proposed rule does not state the confidentiality of the collected information. If an OMB number is assigned to the proposed rule, it will be displayed, but the proposed rule does not explain the need to do so.

VA requests an exemption from providing the above information as part of the regulation. To publish as part of the regulation all the information required by 5 CFR 1320.8(b)(3) would mean that each time the information required by that rule changed, for example, the estimate of the burden hours, the proposed rule would have to go through the regulatory process again even though the purpose of the proposed rule would be unchanged. This is contrary to the purpose of the Code of Federal Regulations.

Secondly, to put all this information in a regulation would make the proposed rule unnecessarily long.

Finally, VA is publishing in the preamble to the proposed rule the burden hours and an explanation of the need to display the approval number. If a respondent wishes to know this information, he or she can be referred to the appropriate Federal Register.

B. Collection of Information Employing Statistical Methods

The Veterans Benefits Administration does not collect information employing statistical methods.

ATTACHMENTS

38 U.S.C. 501(a), 3014(b), 3034(a), 5101(a)