

Supporting Statement for VA Form 21-8940
Veteran's Application for Increased Compensation Based on Unemployability
(2900-0404)

A. Justification

1. The Department of Veterans Affairs (VA), through its Veterans Benefits Administration (VBA), administers an integrated program of benefits and services established by law for veterans, service personnel, and their dependents and/or beneficiaries. Individual unemployability may be payable to a veteran who has a service-connected disability or disabilities which render him unable to secure or follow a substantially gainful occupation (38 U.S.C. 1163). Regulatory authority is found in 38 C.F.R. 4.16, 38 C.F.R. 3.340, and 38 C.F.R. 3.341.

2. VA Form 21-8940 is used by veterans to apply for increased VA disability compensation based on the inability to secure or follow a substantially gainful occupation due to service connected disabilities. Without the information, entitlement to individual unemployability benefits could not be determined.

3. VA Form 21-8940 is available on the One-VA web site in a fillable electronic format. Claimants may print and submit applications non-electronically. VA Form 21-8940 is also available in Veterans Online Applications (VONAPP). VONAPP allows applicants to view, print, and submit applications electronically to VBA. No data is available yet as to percentage of VA Forms 21-8940 which will be received electronically.

4. Program reviews were conducted to identify potential areas of duplication; however, none were found to exist. There is no known Department or Agency which maintains the necessary information, nor is it available from other sources within our Department.

5. The collection of information does not involve small businesses or entities.

6. The VA compensation and pension programs require current information to determine eligibility for benefits. In order to determine eligibility for individual unemployability, information about the claimant's medical, educational, and occupational history is necessary. Without this information collection, it would be impossible to determine entitlement to individual unemployability and benefits would not be properly paid.

7. There is no special circumstance requiring collection in a manner inconsistent with 5 CFR 1320.6 guidelines.

8. The Department notice was published in the Federal Register on September 27, 2007, Volume 72, Number 187 at pages 54980-54981. No comments were received.

9. No payments or gifts to respondents have been made under this collection of information.

10. The records are maintained in the appropriate Privacy Act System of Records identified as 58VA21/22, "Compensation, Pension, Education and Rehabilitation Records - VA" as set forth in Privacy Act Issuances, 1993 compilation found in 42 Fed. Reg. 49726 (9/27/1977).

11. There are no questions of a sensitive nature.

12. Estimate of Information Collection Burden.

a. Number of Respondents is estimated at 24,000 per year.

b. Frequency of Response is one time for most beneficiaries.

c. Annual burden is 18,000 hours.

d. The estimated completion time of 45 minutes is based on review by staff personnel and previous usage of this form.

e. The total estimated cost to respondents is \$270,000 (18,000 hours x \$15 per hour).

13. This submission does not involve any recordkeeping costs.

14. Estimated Costs to the Federal Government:

a. Processing/Analyzing costs	\$2,855,359
(GS-12/5 @ \$36.26 x 24,000 x 90/60 minutes =	\$1,305,360)
(GS- 9/5 @ \$25.00 x 24,000 x 155/60 minutes =	\$1,550,000)
b. Printing and production cost	\$600
c. Total cost to government	\$2,855,960

15. There is no change in the reporting burden.

16. The information collection is not for publication or tabulation use.

17. The collection instrument, VA Form 21-8940, may be reproduced and/or stocked by the respondents and veterans service organizations. This VA form does not display an expiration date, and if required to do so would result in unnecessary waste of existing stocks of this form. This form is submitted to OMB every 3 years. As such, this date requirement would also result in an unnecessary burden on the respondents and would delay Department action on the benefit being sought. VA also seeks to minimize its cost to itself of collecting, processing and using the information by not displaying the expiration

date. For the reasons stated, VA continues to seek an exemption that waives the displaying of the expiration date on VA Form 21-8940.

18. This submission does not contain any exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods

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