

Supporting Statement for:

(2900-0404)

VA Form 21-8940	Veteran's Application for Increased Compensation Based on Unemployability
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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.

VA is redesigning the current VA Form 21-8940, Veteran's Application for Increased Compensation Based on Unemployability, June 2011. VA Form 21-8940 is the prescribed form to gather information that is necessary to determine eligibility for increased compensation based on unemployability. VA is modifying the form to include Reserve and National Guard data collection information. Reserve and National Guard duty is considered employment. This redesign does not increase the respondent burden.

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 Website in a fillable electronic format. VBA is currently hosting this form on a secure server and does not currently have the technology in place to allow for the complete submission of the form. Validation edits are performed to assure data integrity. Efforts within VA are underway to provide a mechanism to allow the information to be submitted electronically with a recognized signature technology. There currently is no utility process in place that will allow the data submitted on the form to be incorporated with an existing centralized legacy database.
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. These forms were redesigned into a “user friendly” form, incorporating plain English, to comply with the President’s Memorandum of June 1, 1998, Plain Language in Government Writing.
7. There is no special circumstance requiring collection in a manner inconsistent with 5 CFR 1320.6 guidelines.
8. The Department notice (60-day) was published in the Federal Register on January 3, 2014, Vol. 79, No. 2, page 426. 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 “Compensation, Pension, Education, and Vocational Rehabilitation and Employment Records-VA (58VA21/22/28),” published at 74 FR 29275 on June 19, 2009, and last amended at 75 FR 22187 (April 27, 2010).
11. There are no questions of a sensitive nature.

12. Estimate of Information Collection Burden.

- a. Number of yearly respondents totals = 24,000.
- b. Frequency of Response is one time.
- c. Annual burden total = 18,000 hours.
- d. The estimated completion time is: 45 minutes
- e. According to the U.S. Bureau of Labor Statistics Average Hourly Earnings, the cost to the respondent is \$24, making the total cost to the respondents and estimated \$432,000 (18,000 hours x \$24 per hour).

13. This submission does not involve any recordkeeping costs.

14. Estimated Costs to the Federal Government:

a. Processing/Analyzing costs	\$1,236,600
(GS-12/5 @ \$40.66 x 24,000 x 45/60 minutes =	\$731,880)
(GS- 9/5 @ \$28.04 x 24,000 x 45/60 minutes =	\$504,720)
b. Printing and production cost (\$90 per thousand)	\$13,740
c. Total cost to government	\$1,250,340

15. VA is redesigning the current VA Form 21-8940, June 2011. VA Form 21-8940 is the prescribed form to gather information that is necessary to determine eligibility for increased compensation based on unemployability. VA is modifying the form to include Reserve and National Guard data collection information. Reserve and National Guard duty is considered employment. This redesign does not increase the respondent burden.

The form has been updated to include an expiration date placeholder.

16. We are not seeking approval to omit the expiration date for OMB approval.

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

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

**B. Collection of Information Employing Statistical Methods**

The data collection does not employ statistical methods.