

Pension Claim Questionnaire for Farm Income (VA Form 21P-4165)
OMB 2900-0095

Pension / Farm Income
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A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary. Identify legal or administrative requirements that necessitate the collection of information.

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.

38 U.S.C. § 1521 establishes a pension benefit for Veterans of a period of war who are permanently and totally disabled. 38 U.S.C. § 1541 and 38 USC § 1542 establish a survivor's pension benefit for the surviving dependents of Veterans of a period of war.

Entitlement to pension benefits for Veterans and their surviving dependents is based on the family's countable annual income as required by 38 U.S.C. § 1503 and net worth as required by 38 U.S.C. § 1522.

2. Indicate how, by whom, and for what purposes the information is to be used; indicate actual use the agency has made of the information received from current collection.

The information collected will be used by VA to evaluate a claimant's income and net worth related to the operation of a farm for the purpose of establishing entitlement to pension benefits and to evaluate a beneficiary's ongoing entitlement to pension benefits.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

The collection of information does not involve the use of automated, electronic, mechanical, or other technological collection techniques. VA does not currently have technology in place to allow for the electronic submission of this form, though VA may create this technology in the future.

The form is available in electronically-fillable format on the benefits.va.gov website. However, the form must be printed and physically submitted.

Pension Claim Questionnaire for Farm Income (VA Form 21P-4165)

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

VBA conducted program reviews to identify duplication, but found none. There is no known Department or Agency which maintains the necessary information, nor is the information available through other sources within VA.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

The collection of information does not apply to the operation of the respondent's business (ownership and operation of a farm). The collection applies to the respondent's personal net income from the operation of the business, which is used to calculate the respondent's income for the purpose of establishing entitlement to income-based benefits. VA is not involved in regulating or monitoring the operation of the respondent's business in any way.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently as well as any technical or legal obstacles to reducing burden.

If this collection is not conducted, VA will not be able to properly evaluate a claimant's income and net worth. Therefore, VA would not be able to properly administer its pension benefit program as required by statute.

The information is collected on an ad hoc basis, and cannot be collected less frequently.

7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or require respondents to prepare written responses to a collection of information in fewer than 30 days after receipt of it; submit more than an original and two copies of any document; retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years; in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study and require the use of a statistical data classification that has not been reviewed and approved by OMB.

There are no special circumstances which would cause this information collection to be conducted more often than quarterly, or require respondents to prepare written responses to a collection of information in fewer than 30 days after receipt of it; submit more than an original and two copies of any document; retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years; in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study and require the use of a statistical data classification that has not been reviewed and approved by OMB.

Pension Claim Questionnaire for Farm Income (VA Form 21P-4165)

8. a. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the sponsor's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the sponsor in responses to these comments. Specifically address comments received on cost and hour burden.

The sponsor's notice was published in the Federal Register on Wednesday, May 11, 2016, soliciting comments on the information collection. VBA received no public comments in response to the notice.

b. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, clarity of instructions and recordkeeping, disclosure or reporting format, and on the data elements to be recorded, disclosed or reported. Explain any circumstances which preclude consultation every three years with representatives of those from whom information is to be obtained.

VA did not consult with those from whom the information is to be obtained. The information is submitted once, on an ad-hoc basis. It is impossible to identify potential claimants before they claim the benefit by submitting the application.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payments or gifts to respondents will be made under this collection of information.

10. Describe any assurance of privacy to the extent permitted by law provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

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 (June 19, 2009).

11. Provide additional justification for any questions of a sensitive nature (Information that, with a reasonable degree of medical certainty, is likely to have a serious adverse effect on an individual's mental or physical health if revealed to him or her), such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private; include specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature (information that, with a reasonable degree of medical certainty, is likely to have a serious adverse effect on an individual's mental or physical health if revealed to him or her), such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

VA will not disclose the information collected to any source other than what has been authorized under the Privacy Act of 1974 or Title 5, Code of Federal Regulations 1.526 for routine uses (i.e., civil or criminal law enforcement, congressional communications, epidemiological or research studies, the collection of money owed to the United States, litigation in which the United States is a party or has an interest, the administration of VA programs and delivery of VA benefits, verification of identity and status and personnel administration) as identified in the VA system of records, 58VA21/22/28,

Pension Claim Questionnaire for Farm Income (VA Form 21P-4165)

Compensation, Pension, Education and Vocational Rehabilitation and Employment Records - VA, published in the Federal Register.

The respondent is required to provide his or her Social Security number when requested under 38 U.S.C. 5101 (c)(1). VA May disclose Social Security numbers as authorized under the Privacy Act, and specifically may disclose them for the purposes stated above. Information furnished on the information collection may be utilized in computer matching programs with other Federal or state agencies for the purpose of determining the respondent's eligibility to receive VA benefits, as well as to collect any amount owed to the United States by virtue of the respondent's participation in any benefit program administered by the Department of Veterans Affairs.

12. Estimate of the hour burden of the collection of information:

- a. Number of Respondents: 2,075
- b. Frequency of Response: one time
- c. Annual Burden Hours: 1,038 hours
- d. Estimated Completion Time: 0.50 hours (30 minutes)
- e. Any person may apply for VA pension benefits. The population of respondents may include minor children, working age adults, disabled adults, and elderly adults. Therefore it is not possible to make assumptions regarding the population of applicants, such as the average age of applicants or their average earnings. In order to estimate the costs to respondents, VBA used general wage information for the population as a whole.

The Bureau of Labor Statistics (BLS) gathers information on full-time wage and salary workers. According to [the latest available BLS Current Population Survey \(CPS\)](http://www.bls.gov/cps/cpsaat39.htm) (<http://www.bls.gov/cps/cpsaat39.htm>) (dated February 10, 2016), the median weekly earnings of full-time wage and salary workers are \$809.00. Assuming a forty (40) hour work week, the median hourly wage is \$20.23.

Legally, respondents may not pay a person or business for assistance in completing the information collection, and a person or business may not accept payment for assisting a respondent in completing the information collection. Therefore, there are no expected overhead costs for completing the information collection. VBA estimates the total cost of all respondents to be \$20,983.44.

Median Weekly Wage = \$809.00/week
Median Hour Wage = \$809.00/week x 40hrs/week = \$20.225/hr
Burden Hours per Response = 0.50 hrs
Cost per Response = \$20.225/hr x 0.50 hrs = \$10.1125
Total Burden Estimate = \$10.1125/Response x Responses = \$20,983.44

13. Provide an estimate of the total annual cost burden to respondents or record-keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

The submission does not involve any record-keeping costs.

Pension Claim Questionnaire for Farm Income (VA Form 21P-4165)

14. Provide estimates of annual cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operation expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

Total Processing/Analyzing Costs with Overhead	\$61,880.00
• GS-11/3 @ \$32.12 x 2,075 x 10/60 minutes =	\$11,108.00
• GS-11/3 Overhead at 100% of Salary =	\$11,108.00
• GS-9/3 @ \$26.55 x 2075 x 15/60 minutes =	\$13,773.00
• GS-9/3 Overhead at 100% of Salary =	\$13,773.00
• GS-5/3 @ \$17.52 x 2075 x 10/60 minutes =	\$6,059.00
• GS-5/3 Overhead at 100% of Salary =	\$6,059.00
Printing and production cost (\$90/thousand)	\$0.00
Total cost to government	\$61,880.00

Note: the hourly wage information above is based on the [2016 hourly wages for employees of the VA Regional Office at St. Paul, Minnesota \(https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2016/MSP_h.pdf\)](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2016/MSP_h.pdf). The St. Paul Regional Office is one of three adjudication offices which process these types of claims (Milwaukee and Philadelphia are the others). The locality adjustment of 21.3% applicable to St. Paul falls between the locality adjustments of Milwaukee and Philadelphia.

The processing time estimates above are based on the actual amount of time employees of each grade level spend to process to completion a claim received on this form. The within-grade step (3) of each employee represents the average experience of employees within each grade.

To account for overhead costs and benefits, we factored in additional costs of 100% of employee salary. This is necessarily a rough adjustment, because methods of estimating these costs vary widely from study to study. One such study, from the [Boston Business Journal \(http://web.mit.edu/e-club/hadzima/pdf/how-much-does-an-employee-cost.pdf\)](http://web.mit.edu/e-club/hadzima/pdf/how-much-does-an-employee-cost.pdf), references an estimate of overhead costs and benefits as high of 170% of employee salary. Since there is no industry standard for estimating overhead costs and benefits costs based on employee salary, we feel our estimate of 100% of employee salary is reasonable.

15. Explain the reason for any burden hour changes since the last submission.

The time burden on the respondent has not changed. In the previously approved information collection request (ICR), VA did not evaluate the cost to respondents based on the amount of time spent completing the form. VA has included that calculation in this ICR, which is detailed in item 12 of this document.

Pension Claim Questionnaire for Farm Income (VA Form 21P-4165)

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The information collected is not for tabulation.

17. If seeking approval to omit the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

We are not seeking to omit the expiration date.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB 83-I.

This submission does not include any exceptions to the certification statement.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

No statistical methods are used in this data collection.