

**Supporting Statement for VA Forms 21-4140 and 21-4140-1
Employment Questionnaire
OMB# 2900-0079**

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. Under 38 CFR 4.16, VA pays individual unemployability, compensation at the 100 percent rate, to veterans who are unable to secure or follow a substantially gainful occupation as a result of his or her service-connected disabilities. Information is requested by this form under the authority of 38 U.S.C. 501. Regulatory authority is found in 38 C.F.R. 3.362 and 3.343.

VA Forms 21-4140 and 21-4140-1 are being revised to include new standardization data points; to include identification information.

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.

VA Forms 21-4140 and 21-4140-1 are to be used to gather the necessary information to determine continued entitlement to individual unemployability. Individual unemployability benefits are being paid to veterans who are no longer entitled. Additionally, per 38 CFR 3.901, veterans must knowingly submit false information in order for it to be considered fraud. Therefore, VA requires veterans who are receiving individual unemployability benefits to certify that they are still unemployed or are marginally employed. The form will be completed annually by all recipients of individual unemployability who are under age 60.

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.

VA Forms 21-4140 and 21-4140-1 are 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.

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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.

VA, SSA, and IRS conduct a regular data exchange (IVM processing) that provides VA with the amount of earnings recipients receives. However, a recent program review has shown that this data exchange is not timely in identifying many recipients who are receiving earnings above the poverty level. As a result, many recipients have been receiving VA benefits to which they are not entitled. VA is unable to adjust benefits based solely on IRS wage information (38 U.S.C. 5317(b)), and we cannot rely on the electronic interfaces for timely information about changes in employment.

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 involve small businesses or entities.

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.

38 CFR 3.652 provides that recipients are required to certify, when requested, that the eligibility factors which established entitlement to the benefit being paid continue to exist. Individual unemployability is awarded based on a veteran's inability to be gainfully employed due to service-connected disabilities, and entitlement may be terminated if a veteran begins working. Without information about recipients' employment, VA would not be able to determine continued entitlement to individual unemployability, and overpayments would result.

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

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8. 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 Department notice was published in the Federal Register on February 23, 2017, Volume 82, No. 35, Page 11498. No comments were received in response to this notice.

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 have been 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 on June 19, 2009, and last amended at 77 FR 42593 (July 19, 2012).

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.

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

- a. Number of Respondents is estimated at 130,000 per year.
- b. Frequency of Response is annually for most beneficiaries.
- c. Annual burden is 10,833 hours.
- d. The estimated completion time of 5 minutes.

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- e. The respondent population for VA Form 21-4140 and VA Form 21-4140-1 is composed of individuals required to annually certify their entitlement to individual unemployability. VBA cannot make further assumptions about the population of respondents because of the variability of factors such as the educational background and wage potential of respondents. Therefore, VBA used general wage data to estimate the respondents' costs associated with completing the information collection.

The Bureau of Labor Statistics (BLS) gathers information on full-time wage and salary workers. According to the latest available BLS data, the mean weekly earnings of full-time wage and salary workers are \$954.40. Assuming a forty (40) hour work week, the mean hourly wage is \$23.86 based on the BLS wage code – “00-0000 All Occupations.” This information was taken from the following website:

(http://www.bls.gov/oes/current/oes_nat.htm#00-0000, May 2016).

Legally, respondents may not pay a person or business for assistance in completing the information collection. Therefore, there are no expected overhead costs for completing the information collection. VBA estimates the total cost to all respondents to be \$258,475.38 (10,833 burden hours x \$23.86 per hour).

- 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).**

This submission does not involve any recordkeeping costs.

- 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.**

Estimated Costs to the Federal Government:

Grade	Step	Burden Time	Fraction of Hour	Hourly Rate	Cost Per Response	Total Responses	Total
7	3	45	0.75	\$18.07	13.553	130,000	\$ 1,761,825.00
Overhead at 100% Salary							\$ 1,761,825.00
9	3	30	0.50	\$22.11	11.055	130,000	\$ 1,437,150.00
Overhead at 100% Salary							\$ 1,437,150.00
12	3	15	0.25	\$32.06	8.015	130,000	\$ 1,041,950.00
Overhead at 100% Salary							\$ 1,041,950.00
Processing / Analyzing Costs							\$ 8,481,850.00
Printing and Production Cost							\$ 94,242.78
Total Cost to Government							\$ 8,576,092.78

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Overhead costs are 100% of salary and are same as the wage listed above and the amounts are included in the total.

Note: The hourly wage information above is based on the hourly 2017 General Schedule (Base) Pay (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/GS_h.pdf). This rate does not include any locality adjustment as applicable.

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.

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

There is no change in the reporting burden. VA Form 21-4140 and VA Form 21-4140-1 are being revised to include new standardization data points; to include identification information.

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 collection is not for publication or tabulation use.

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 approval to omit the expiration date for OMB approval.

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 contain any exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods

This collection of information does not employ statistical methods.