

**Supporting Statement For
The Collections of Information Contained in the proposed regulations implementing the
Honoring Investments in Recruiting and Employing American Military Veterans Act of
2017 (HIRE Vets Act of 2017))**

This ICR is associated with the HIRE Vets Medallion Award Notice of Proposed Rulemaking. The Department anticipates public comments that may cause changes to the information collection requirements; consequently, the Department requests OMB to file comment on this request to allow the Agency to address the public comments.

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The HIRE Vets Act of 2017 (Act) was enacted on May 5, 2017, as Division O of the Consolidated Appropriations Act, 2017, Pub. L. 115-31. The purpose of the Act is to create a voluntary program for recognizing efforts by employers to recruit, employ, and retain veterans through a HIRE Vets Medallion Award (the Award). The Act requires the Department of Labor (the Department) to issue regulations establishing the HIRE Vets Medallion Program (Medallion Program). The following sections of the Act contain collections of information that have been incorporated into the implementing HIRE Vets Medallion Program regulations (20 CFR part 1011), and are subject to the Office of Management and Budget (OMB) review and approval under the Paperwork Reduction Act.

Sec. 2 (a) of the Act requires the Department “ . . . establish, by rule, a HIRE Vets Medallion Program to solicit voluntary information from employers for purposes of recognizing, by means of an award to be designated a “HIRE Vets Medallion Award”, verified efforts by such employers—

- (1) to recruit, employ, and retain veterans; and
- (2) to provide community and charitable services supporting the veteran community.”

Sec 3. (a)(2) of the Act requires the Department to ensure that “all applications provide information on the programs and other efforts of applicant employers during the calendar year prior to that in which the medallion is to be awarded, including the categories and activities governing the level of award for which the applicant is eligible under subsection (b).”

Sec.3 (a)(3) of the Act requires the Department to “verify all information provided in the applications, to the extent that such information is relevant in determining whether or not an employer should receive a HIRE Vets Medallion Award or in determining the appropriate level of HIRE Vets Medallion Award for that employer to receive, including by requiring the chief executive officer or the chief human relations officer of the employer to attest under penalty of perjury that the employer has met the criteria described in subsection (b) for a particular level of Award”.

Section 3(b)(1)(A) of the Act requires the Department to “establish 2 levels of HIRE Vets

HIRE Vets Medallion Program (20 CFR part 1011)

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Medallion Awards to be awarded to employers employing 500 or more employees, to be designated the “Gold HIRE Vets Medallion Award” and the “Platinum HIRE Vets Medallion Award.”

Sec. (3)(b)(1)(B) of the Act provides the criteria the Department will use to award a Gold HIRE Vets Medallion Award to a large employer, employing 500 or more employees:

(B) GOLD HIRE VETS MEDALLION AWARD.—No employer shall be eligible to receive a Gold HIRE Vets Medallion Award in a given calendar year unless—

- (i) veterans constitute not less than 7 percent of all employees hired by such employer during the prior calendar year;
- (ii) such employer has retained not less than 75 percent of the veteran employees hired during the calendar year preceding the preceding calendar year for a period of at least 12 months from the date on which the employees were hired;
- (iii) such employer has established an employee veteran organization or resource group to assist new veteran employees with integration, including coaching and mentoring; and
- (iv) such employer has established programs to enhance the leadership skills of veteran employees during their employment.

Sec. (3)(b)(1)(C) of the Act provides the criteria the Department will use to award a Platinum HIRE Vets Medallion Award to a large employer, employing more than 500 employees:

(C) PLATINUM HIRE VETS MEDALLION AWARD.—No employer shall be eligible to receive a Platinum HIRE Vets Medallion Award in a given calendar year unless—

- (i) the employer meets all the requirements for eligibility for a Gold HIRE Vets Medallion Award under subparagraph (B);
- (ii) veterans constitute not less than 10 percent of all employees hired by such employer during the prior calendar year;
- (iii) such employer has retained not less than 85 percent of the veteran employees hired during the calendar year preceding the preceding calendar year for a period of at least 12 months from the date on which the employees were hired;
- (iv) such employer employs dedicated human resources professionals to support hiring and retention of veteran employees, including efforts focused on veteran hiring and training;
- (v) such employer provides each of its employees serving on active duty in the United States National Guard or Reserve with compensation sufficient, in combination with the employee’s active duty pay, to achieve a combined level of income commensurate with the employee’s salary prior to undertaking active duty; and
- (vi) such employer has a tuition assistance program to support veteran employees’ attendance in postsecondary education during the term of their employment.

Sec. (3)(b)(1)(D) of the Act provides an exemption to smaller employers (5,000 or fewer employees) to the requirement to employ a dedicated human resources professional.

(D) EXEMPTION FOR SMALLER EMPLOYERS.—An employer shall be deemed to meet the requirements of subparagraph (C)(iv) if such employer—

- (i) employs 5,000 or fewer employees; and
- (ii) employs at least one human resources professional whose regular work duties include those

described under subparagraph (C)(iv).

Sec. (3)(b)(1)(E) of the Act allows the Department to, by rule, develop additional criteria to determine qualifications for receipt for the HIRE Vets Medallion Award.

Sec. (3)(b)(2) of the Act requires the Department to establish similar award to recognize achievements by small and medium-sized employers.

(2) SMALL- AND MEDIUM-SIZED EMPLOYERS.—The Secretary shall establish similar awards in order to recognize achievements in supporting veterans by—

(A) employers with 50 or fewer employees; an

(B) employers with more than 50 but fewer than 500 employees.

Sec. 5(b) of the Act allows the Department to “assess a reasonable fee on employers that apply for receipt of a HIRE Vets Medallion Award and the Secretary shall deposit such fees into the HIRE Vets Medallion Award Fund. The Secretary shall establish the amount of the fee such that the amounts collected as fees and deposited into the Fund are sufficient to cover the costs associated with carrying out this [Act].”

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the Agency has made of the information received from the current collection.

The HIRE Vets Medallion Program is a voluntary employer recognition program administered by the Department of Labor – Veteran’s Employment and Training Service (VETS). Through the HIRE Vets Medallion Program, VETS will solicit voluntary applications from employers for an award called the HIRE Vets Medallion Award. These awards are intended to recognize employer efforts to recruit, employ, and retain our Nation’s veterans. All employers who employ at least one employee are eligible to apply for the Award.

The proposed rule would establish regulations 20 CFR part 1011, HIRE Vets Medallion Program. Subpart B provides the criteria that employers must meet in order to be recognized for the Awards, subpart C establishes the application process, subpart D establishes the fees for applying for a HIRE Vets Medallion Award, and subpart G establishes records retention requirements for applicants. The following are the collections of information contained in part 1011.

Subpart B—Award Criteria

Proposed section 1011.100, *What are the criteria for the large employer HIRE Vets Medallion Award?* of the proposal sets out the criteria for the large employer awards.

Paragraph (a) sets out the requirements for a large employer gold HIRE Vets Medallion Award

Paragraph (a)(1) states that the large employer award is for employers with 500 or more employees.

Paragraph (a)(2) includes the criterion, further explained in proposed §1011.120 that employers are not eligible for an award if they have violated certain labor laws.

Paragraph (a)(3) requires that veterans constitute not less than 7 percent of all employees hired by such employer during the prior calendar year (*hiring criteria*).

Paragraph (a)(4) requires that the employer has retained not less than 75 percent of the veteran employees hired during the calendar year preceding the preceding calendar year for a period of at least 12 months from the date on which the employees were hired (*retention criteria*).

Paragraph (a)(5) requires that the employer has an established employee veteran organization or resource group to assist new veteran employees with integration, including coaching and monitoring.

Paragraph (6) requires that the employer has established programs to enhance the leadership skills of veteran employees during their employment.

Paragraph (b) sets out the requirements for the large employer platinum award.

Paragraph (b)(1), as with paragraph (a)(1), states that the large employer award is for employers with 500 or more employees.

Paragraph (b)(2), as with paragraph (a)(2), includes the criterion, further explained in proposed §1011.120, that employers are not eligible for an award if they have violated certain labor laws.

Paragraph (b)(3) requires veterans constitute not less than 10 percent of all employees hired by such employer during the prior calendar year;

Paragraph (b)(4) requires that the employer has retained not less than 85 percent of the veteran employees hired during the calendar year preceding the preceding calendar year for a period of at least 12 months from the date on which the employees were hired;

Paragraph (b)(5), like paragraph (a)(5), requires that the employer has established an employee veteran organization or resource group to assist new veteran employees with integration, including coaching and mentoring;

Paragraph (b)(6), like paragraph (a)(6), requires that the employer has established programs to enhance the leadership skills of veteran employees during their employment.

Paragraph (b)(7) implements the “dedicated human resources professional”¹ criterion. Additionally, as further explained in proposed §1011.115, there is an exemption for

¹ Dedicated Human Resources Professional means either a full-time professional or the equivalent of a full time professional dedicated exclusively to supporting the hiring, training, and retention of veteran employees. Two half-time professionals, for example, are equivalent to one full-time professional.

employers with 5,000 or fewer employees.

Paragraph (b)(8) requires that the employer provides each of its employees serving on active duty in the United States National Guard or Reserve with compensation sufficient, in combination with the employee's active duty pay, to achieve a combined level of income commensurate with the employee's salary prior to undertaking active duty;

Paragraph (b)(9) requires that the employer have a tuition assistance program to support veteran employees' attendance in postsecondary education during the term of their employment.

Proposed section 1011.105, *What are the criteria for the medium employer HIRE Vets Medallion Award?*, sets out criteria for medium employers to receive the award.

Paragraph (a) contains the requirements for the medium employer gold award.

Paragraph (a)(1) states that the medium employer award is for employers with more than 50 but fewer than 500 employees.

Paragraph (a)(2) includes the criterion, further explained in proposed §1011.120, that employers are not eligible for an award if they have violated certain labor laws.

Paragraph (a)(3) sets out a criterion with two alternatives. To satisfy this criterion, employers must meet at least one of the two alternative criteria:

- (i) the hiring criteria - veterans constitute not less than 7 percent of all employees hired by such employer during the prior calendar year; or
- (ii) The employer has achieved both of the following:
 - (A) the employer has retained not less than 75 percent of the veteran employees hired during the calendar year preceding the preceding calendar year for a period of at least 12 months from the date on which the employees were hired; and
 - (B) on December 31 of the year prior to the year in which employer applies for the HIRE Vets Medallion Award, at least 7 percent of the employer's employees were veterans.

Paragraph (a)(4) requires that the employer has at least one of the following forms of integration assistance:

- (i) the employer has established an employee veteran organization or resource group to assist new veteran employees with integration, including coaching and mentoring; or
- (ii) the employer has established programs to enhance the leadership skills of veteran employees during their employment.

Paragraph (b) contains the requirements for the medium employer platinum award.

Paragraphs (b)(1)-(2) are similar requirements as paragraphs (a)(1)-(2) for the medium employer gold award.

Paragraph (b) (3) however has the percentages that are higher than those at (a)(3) to reflect the higher standard to which platinum applicants will be held.

Employers must have achieved at least one of the following:

- (i) veterans constitute not less than 10 percent of all employees hired by such employer during the prior calendar year; or
- (ii) The employer has achieved both of the following:
 - (A) the employer has retained not less than 85 percent of the veteran employees hired during the calendar year preceding the preceding calendar year for a period of at least 12 months from the date on which the employees were hired; and
 - (B) on December 31 of the year prior to the year in which employer applies for the HIRE Vets Medallion Award, at least 10 percent of the employer's employees were veterans.

Paragraph (b)(4) requires the employer to have the following forms of integration assistance:

- (i) the employer has established an employee veteran organization or resource group to assist new veteran employees with integration, including coaching and mentoring; and
- (ii) the employer has established programs to enhance the leadership skills of veteran employees during their employment; and

Paragraph (b)(5) is an additional requirement that distinguishes the medium employer platinum award from the medium employer gold award. The employer is required to have at least one of the following additional forms of integration assistance:

- (i) the employer has established a human resources veterans' initiative;
- (ii) the employer provides each of its employees serving on active duty in the United States National Guard or Reserve with compensation sufficient, in combination with the employee's active duty pay, to achieve a combined level of income commensurate with the employee's salary prior to undertaking active duty; or
- (iii) the employer has a tuition assistance program to support veteran employees' attendance in postsecondary education during the term of their employment.

Proposed section 1011.110, *What are the criteria for the small employer HIRE Vets Medallion Award*, sets out the criteria for the small employer gold and platinum awards.

Paragraph (a) contains the requirements for the small employer gold award and paragraph (b) contains the requirements for the small employer platinum award.

Paragraph (a)(1) states that the small employer award is for employers with 50 or fewer

employees.

Paragraph (a)(2) includes the criterion, further explained in §1011.120, that employers are not eligible for an award if they have violated certain labor protections.

Paragraph (a)(3) sets out a criterion with two alternatives. To satisfy this criterion, employers must meet at least one of the two alternative criteria:

- i. veterans constitute not less than 7 percent of all employees hired by such employer during the prior calendar year; or
- ii. The employer has achieved both of the following:
 1. the employer has retained not less than 75 percent of the veteran employees hired during the calendar year preceding the preceding calendar year for a period of at least 12 months from the date on which the employees were hired; and
 2. on December 31 of the year prior to the year in which employer applies for the HIRE Vets Medallion Award, at least 7 percent of the employer's employees were veterans.

Paragraph (b) contains the requirements for the small employer platinum award

Paragraph (b) (1) states that the small employer award is for employers with 50 or fewer employees.

Paragraph (b)(2) includes the criterion, further explained in §1011.120, that employers are not eligible for an award if they have violated certain labor laws.

Paragraph (b) (3) requires that the employer has achieved at least one of the following:

- i. veterans constitute not less than 10 percent of all employees hired by such employer during the prior calendar year; or
- ii. The employer has achieved both of the following:
 1. the employer has retained not less than 85 percent of the veteran employees hired during the calendar year preceding the preceding calendar year for a period of at least 12 months from the date on which the employees were hired; and
 2. on December 31, of the year prior to the year in which employer applies for the HIRE Vets Medallion Award, at least 10 percent of the employer's employees were veterans; and

Paragraph (b)(4) is an additional requirement that distinguishes the small employer platinum award from the small employer gold award; this paragraph requires that the employer have at least two of the following forms of integration assistance.

- i. the employer has established an employee veteran organization or resource group to assist new veteran employees with integration, including coaching and mentoring;
- ii. the employer has established programs to enhance the leadership skills of veteran employees during their employment;
- iii. the employer has established a human resources veterans' initiative;

- iv. the employer provides each of its employees serving on active duty in the United States National Guard or Reserve with compensation sufficient, in combination with the employee's active duty pay, to achieve a combined level of income commensurate with the employee's salary prior to undertaking active duty;
- v. the employer has a tuition assistance program to support veteran employees' attendance in postsecondary education during the term of their employment.

Section 1011.115 provides an exemption for certain large employers from the dedicated human resources professional criterion. Employers who employ 5,000 or fewer employees need not have a dedicated human resources professional to support the hiring and retention of veteran employees. An employer with 5,000 or fewer employees can satisfy the criterion at §1011.100(b)(7) by employing at least one human resources professional whose regular work duties include supporting the hiring, training and retention of veteran employees.

Subpart C—Application Process

Proposed section 1011.215 *How will the employer complete the application for the HIRE Vets Medallion Award*, explains what employers must do to be eligible for the Award.

Paragraph (a) requires all applicants to provide information to establish their eligibility for the HIRE Vets Medallion Award to VETS.

Paragraph (b) provides that the VETS may request additional information in support of the application for the HIRE Vets Medallion Award.

Paragraph (c) requires that the chief executive officer, the chief human resources officer or an equivalent official of each employer applicant to attest under penalty of perjury that the information the employer has submitted in its application is accurate.

Paragraph (d) informs interested employers that they can access the form via the HIRE Vets website accessible from <https://www.dol.gov/vets/>.

Paragraph (e) describes how applicants can submit the application form. VETS requires all applicants to submit the completed application electronically unless the applicant request a reasonable accommodation under paragraph (f). Electronic submittal is more efficient and less costly to the applicant and to the agency for processing.

Paragraph (f) describes how VETS will provide a reasonable accommodation to applicants.

Paragraph (g) provides that if an employer's application is deemed incomplete, VETS will attempt to contact the employer for the missing information using the contact information provided on the application. Should the applicant not respond within the timeframe provided, the application will be deemed incomplete and will be denied.

Subpart D—Fees and Caps

Section 1011.300 *What are the application fees for the HIRE Vets Medallion Award?*

Paragraph (a) states that the Act requires that the Department establish a fee sufficient to cover the costs associated with carrying out the HIRE Vets Medallion Program.

Paragraph (b) provides a fee table providing the dollar amount employers must pay to apply for the HIRE Vets Medallion Award. The Department will adjust the fees periodically according to the Implicit Price Deflator for Gross Domestic Product published by the U.S. Department of Commerce and notify potential applicants of the adjusted fees through a notice in the Federal Register.

Paragraph (b)(1) requires that if a significant adjustment is needed to arrive at a new fee for any reason other than inflation, then the Department must publish a proposed rule seeking public comment on the proposed new fees.

Category	Small	Medium	Large
Fee	\$90	\$190	\$495

Paragraph (c) requires applicants to submit the appropriate application processing fee for each application submitted. Applicants must pay the fee electronically through the U.S. Treasury pay.gov system.

Subpart G—Record Retention

Proposed section 1011.600, *What are the Record Retention Requirements for the HIRE Vets Medallion Award*, requires applicants to retain a record of all information used to complete Application form for the HIRE Vets Medallion Award for two years from the date of application.

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.

VETS developed six application form versions based on a common set of required data fields for the HIRE Vets Medallion Award (Application form) and instructions to assist employers interested in applying for the HIRE Vets Medallion Award. Properly filled out, these forms satisfy the requirements of Regulations, Part X (20 C.F.R., Subtitle A). The Application forms will be available to the public via the HIRE Vets website accessible from <https://www.dol.gov/vets/>. Applicants will be able to complete and submit the completed application form electronically to VETS for consideration. In addition, applicants can submit their application fee using Pay.gov. Employers may also request a reasonable accommodation by contacting VETS.

There are six forms, based upon the size of the employer, large, medium, or small, and the award, gold or silver.

Large employer gold	Medium employer gold	Small employer gold
Large employer platinum	Medium employer platinum	Small employer platinum

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 A.2 above.

The information contained in the Application Forms are specific to each applicant, and no other sources or agencies duplicate these requirements or can make this information available to the Department, i.e., the required information is available only from employers submitting the Application forms.

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

The Act establishes specific criteria at two levels, “gold” and “platinum,” for large employers (those with 500 or more employees) and allows the Department discretion in establishing additional criteria for each large employer award level and criteria for small and medium employers to qualify for similar awards. The proposed regulations lessen burden hours for medium and small employers to apply in several ways.

First, instead of requiring the small and medium employers to meet all of the criteria outlined for large employers, the criteria for the small and medium employers include more options and alternatives. For example, employers applying for the small platinum award need only have two of the five forms of integration assistance identified for the large employer platinum award. Likewise, instead of needing to meet both the hiring criterion and the retention criterion, small and medium employers must meet either the hiring criterion or a criterion that includes retention and veteran employee percentage.

The second major difference is the inclusion of this “veteran employee percentage” criterion for the small and medium employers. For small and medium employers who might not meet the hiring criterion, they may qualify for an award if they meet the retention requirements and a certain percentage (7 percent for the gold and 10 percent for the platinum) of the employer’s employees during the last year were veterans. The proposed rule includes this option to allow small and medium employers who did not hire last year, but demonstrated their commitment to veteran employment hiring the year before to receive a medallion for their longer term veteran hiring effort.

Finally, the human resources criterion for small and medium employer awards differs from the human resources criterion for the large employer awards. Small and medium employers often do not have the same human resource support as large employers. Consequently, under this proposed rule, small and medium employers are instead required to meet a similar requirement of providing hiring, training, and retention services for veteran employees through a “human resources veterans’ initiative” as defined at proposed §1011.005.

6. Describe the consequence 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.

Employers submit one of the versions of the Application Forms to receive consideration for a HIRE Vets Medallion Award. Without the information collection, the Department could not implement this program as directed by the Congress. The application forms lessen burden for both applicants and the Agency by providing a standard format for responses, removing guess work for applicants and giving a standards platform to the agency to evaluate responses. Without the application forms, the Department would not have meaningful way to evaluate responses and provide recognition to employers who have the best programs to recruit, employ, and retain veterans.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **Requiring respondents to report information to the agency more often than quarterly;**
- **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **Requiring respondents to submit more than an original and two copies of any document;**
- **Requiring respondents to 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;**
- **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

No special circumstances exist that require employers to collect information in the manner or using the procedures specified by this item. The information-collection requirements are consistent with the guidelines provided in 5 CFR 1320.5.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency'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 agency in response to these comments. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years, even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

VETS conducted three stakeholder sessions during the week of June 5, 2017. During these stakeholder sessions, VETS obtained input from large, medium, and small employers, veteran service organizations, military service organizations, and other interested parties. One session was generally open to the public and advertised on the VETS website. The other two sessions were designed to have fewer than 10 attendees.

Concurrent with the submission of this ICR, the Department has published a Notice of Proposed Rulemaking and an associated Federal Register Notice that invites comments on the information collections in the NPRM to be submitted to OMB during a 30-day period and to VETS for 60 days. The Department will review, summarize, and respond to any public comments before OMB approves the ICR.

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

While an application is required to receive consideration for a HIRE Vets Medallion Award, the Agency will not generally provide any gift or payment to respondents. The Award does not come with a cash prize.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The Application form does not provide an assurance of confidentiality.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reason why the agency considers the questions necessary, the 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.

The Application forms do not contain questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

- If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13.

- Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage-rate categories.

The Department uses assumptions from the Preliminary Economic Analysis (PEA) to calculate the number of establishments, burden hours, and costs for the collections of information contained in the proposal. The burden hours and cost are averaged over a three year period since

this is the maximum amount of time OMB may approve a collection of information is for three years (Table 1, *Employers Averaged Over Three Year*).

Table 1 Employers Participating Employers Over Three Year					
	1st year	2nd year	3rd year	Total employers	Average over three years
Small Employers	304	674	2,023	3,001	1,000
Medium Employers	2,248	2,997	4,870	10,115	3,371
Large Employers	1,601	2,557	3,835	7,993	2,664
Total	4,152	6,228	10,728	21,108	7,036

Wage Rate Determinations

The Agency determined the wage rate from mean hourly wage earnings to represent the cost of employee time. For the relevant standard occupational classification category, VETS used the wage rates reported in the Bureau of Labor Statistics, U.S. Department of Labor, Occupational Employment Statistics (OES), May 2016 [date accessed: July 21, 2017]. (OES data is available at: <https://www.bls.gov/oes/tables.htm>. To access a wage rate, select the year, "Occupation Profiles," and the Standard Occupational Classification (SOC) code.)

To account for fringe benefits, the Agency used the Bureau of Labor Statistics (BLS) Occupational Employment Statistics (OES)(2017). Fringe markup is from the following BLS release: Employer Costs for Employee Compensation news release text; For release 10:00 AM (EDT), June 9, 2017 (2017 <https://www.bls.gov/news.release/pdf/ecec.pdf>). BLS reported that for private industry, fringe benefits accounted for 31.7 percent of total compensation and wages accounted for the remaining 68.3 percent. To calculate the loaded hourly wage for each occupation, the Agency divided the mean hourly wage by 68.3 percent.

Table 2 Wage Hour Estimates				
Occupational Title	Standard Occupation Code	Mean Hour Wage Rate	Percent of Fringe Benefits	Loaded Hourly Wage Rate
<i>Large/Medium employer resources</i>				
Human Resource Manager	11-3121	\$57.79	0.683	\$84.61
Human Resource Specialists	13-1071	\$31.20	0.683	\$45.68
Data Base Administrators	15-1141	\$41.89	0.683	\$61.33
Chief Executive	11-0011	\$93.44	0.683	\$136.81
<i>Small employer resources</i>				
Human Resource Manager	11-3121	\$57.79	0.683	\$84.61
Payroll and timekeeping clerks	43-3051	\$20.95	0.683	\$30.67

The collections of information contained in the HIRE Vets Medallion program Proposed Rule are for employers to obtain, prepare, submit and maintain information for the Application form. *Proposed 20 CFR part 1011 Subpart B – Award Criteria* provides the criteria that large, medium, and small employers must meet to be considered for the Award. The burden hour and hourly wage/rate totals were estimated by employer size for each aspect of the application process: rule familiarization; information collection/HR query; filling out the form; recordkeeping; executive approval; requests for reconsideration (see Table 3, *Summary of Respondents, Responses, Burden Hours, and Wage Hour Costs*). Table 4, *Total Time by Employer Size* summarizes the total time per respondent based on its size, large, medium or small.

Collection of Information	Annual Respondents	Frequency	Responses	Time in Hours	Annual Burden Hours	Wage Rates/Unit Cost	Annual Value of Respondents' Time
Familiarization (Recordkeeping)							
Large/Medium	6,035	1	6,035	1	6,036	84.61	\$510,633.46
Small Employers	1,000	1	1,000	1	1,000	84.61	\$84,612.01
Data/Collection and Maintenance							
Large Employers	2,664	1	2,664	5	13,320	45.68	\$608,468.52
Medium Employers	3,371	1	3,371	3	10,113	45.68	\$461,970.13
Small Employers	1,000	1	1,000	3	3,001	30.67	\$92,020.50
Query Report							
Large/Medium	6,035	1	6,035	2	12,070	61.33	\$740,281.55
Filing Form							
Large Employers	2,664	1	2,664	2	5,328	45.68	\$243,387.41
Medium Employers	3,371	1	3,371	1.5	5,057	45.68	\$230,985.07
Small Employers	1,000	1	1,000	1	1,000	30.67	\$30,673.50
Executive Signature							
Large/Medium	6,035	1	6,035	0.25	1,509	136.81	\$206,409.37
Small Employers	1,000	1	1,000	0.25	250	84.61	\$21,153.00
Appeals: Once Percent Total (Reporting)							
Large/Medium	60	1	60	0.5	30	84.61	\$2,553.17
Small Employers	10	1	10	0.5	5	84.61	\$423.06
Unduplicated Totals			34,245		58,716		\$3,223,570.74

Table 4 Total Time By Size of Firm			
	Large Employers	Medium Employers	Small Employers
Familiarization	1 hour	1 hour	1 hour
Information collection	5 hours	3 hours	3 hours
HR query report	2 hours	2 hours	n/a
Filling form	2 hours	1.5 hours	1 hour
Executive signature	0.25 hour	0.25 hour	0.25 hour
Requests for reconsiderations (assume 1%)	0.5 hour	0.5 hour	0.5 hour
Total burden hours	10.75 hours	8.25 hours	5.75 hours

Familiarization

VETS estimates that all employers, regardless of size will take one hour to become familiar with the HIRE Vets Medallion Program. The regulation is structured by firm size which would not require employers to consider all aspects of eligibility but only those that pertain to their size. For these reasons one hour was estimated for familiarization of the award program requirements of eligibility and the application form instructions.

Large/medium/small employers – This activity would typically be performed by a human resources manager at a large or medium size firm and someone with equivalent duties in a small firm.

Data/Collection and Maintenance for the Application Form

The eligibility requirements for the award program requires that all employers compile information needed to complete the Application form. Information relied on to complete the Application form must be retained for two years. The estimates below are an average for the gold and platinum award requirements. The burden hours and wage/rate costs to complete the Application form differs between large, medium, and small employers given that business operations as well as the criteria to obtain HIRE vets Medallion Award differ between the sizes.

Large employers – VETS estimates a human resource specialist will take five hours, due to the additional information required to match the criteria for eligibility, to determine if the programs offered by the firm met the needs of veterans as defined in the regulation.

Medium employers – VETS estimates a human resource specialist will take three hours to

compile the necessary information and to complete the form.

Small employers – VETS estimates a payroll and timekeeping clerk will take three hours to compile the necessary information to complete the form.

Query Report

Large and medium size employers are expected to incur the cost for running a query to identify the number of veterans hired and retained for the years requested on the application form. The majority of large and medium employers will have a database system for managing their workforce; this system typically includes the hire date, and various demographic information about their employees. Small employers with less than 50 employees typically do not manage their workforce using a database, and due to the closer interactions among employees at small employers the payroll clerk would know most of the employees individually, thus a small firm would not need to run a query.

Large/Medium employers – VETS estimates that a database administrator will take two hours to run a query specifically for this application form.

Filing the Application

Once an employer has obtained all of the information, applicants will need to enter the information into the Application Form. In addition, applicants will need to prepare and submit their application fee to VETS and submit the application fee via www.pay.gov or equivalent. The following burden estimates are an average for the gold and platinum award requirements.

Large employers – VETS estimates a human resource specialist will take two hours to complete, and submit the application and application fee. Large employers need additional time since additional criteria must be completed on the form to be eligible for the award.

Medium employers – VETS estimates that a human resource specialist will take one and half hours to complete, and submit the application and application fee. Medium employers have less criteria to complete, therefore reducing the completion time.

Small employers – VETS estimates a payroll and timekeeping clerk will take one hour because there are fewer criteria than a medium size firm.

Executive Signature

The form requires the attestation of an executive that the information on the form is accurate and true. It's expected that this would take 15 minutes for all employers applying for the award and would most likely require the executive to take the time to review the form.

Large/Medium employers – VETS estimates an executive will take .25 hour to review and to attest the application.

Small employers – VETS estimates a person such as the firm's owner with the equivalent wage

of a human resource manager will take .25 hour to review and attest the application.

Requests for Reconsideration

VETS estimates that 1 percent of employers applying may file a request for reconsideration of the award decision, and that it would take an employer .5 hour to obtain, prepare and submit information pertaining to the request to the Department.

Large/Medium/Small employers – VETS estimates a human resource manager will take .5 hour to obtain, prepare and submit information pertaining to the request for reconsideration to the Department.

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

- **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of service component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**

- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondent (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**

- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

Subpart D – Fee and Caps, Section 1011.300 Paragraph (a) of the Act requires that the Department establish a fee sufficient to cover the costs associated with carrying out the HIRE Vets Medallion Program.

The award program will set a fee for employers applying to cover the costs of solicitation, processing applications, verifying information and award notifications, as well as the maintenance cost of the IT system used in the processing of applications. In processing the applications, VETS will need to verify the information on the form being submitted by each employer. Given that the number of criteria varies by employer size, and will consequently require additional review by VETS, the fee will vary by employer size to reflect the cost of reviewing additional criteria. For example, the large employer platinum award requires the applicant to provide five types of integration assistance. However, the small employer platinum award only requires that the applicant provide two types of integration assistance. Consequently, the large employer award will take longer to review than the small employer award.

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1290-0NEW

August, 2017

Processing	Resource	Hours (assuming 4,152 applications)	Hourly wage	Total Cost
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HIRE Vets Medallion Program (20 CFR part 1011)

1290-ONEW

August, 2017

Messaging and Marketing					
	GS-13	Outreach Specialist	1,140	\$91	\$103,558
	GS-14	Program Manager	1,000	\$107	\$107,360
	GS-12	IT Specialist	120	\$76	\$9,168
	Travel	1 day a month		\$25,000	\$25,000
Contractor maintenance estimate					
	contractor	Computer and Mathematical Occupations	240	\$85	\$20,280
Application through Award					
	Contractor	Outreach Specialist	200	\$119	\$23,724
	Contractor	IT Specialist	40	\$85	\$3,380
	Contractor	Program Manager	78	\$117	\$9,157
	Contractor	Program Specialist	7,356	\$72	\$529,485
	Application receipt recognition for those submitted by mail or fax			\$50	\$50
	DOL agencies VETS and OFCCP			\$200,119	\$200,119
Award Notification					
	Contractor	Program Manager	50	\$117	\$5,870
	Contractor	Program Specialist	40	\$72	\$2,879
	Mailing Award Status Notification		n/a	\$50	\$50
	Printing and Mailing Award	97% of 4,152	\$25 per award	\$100,678	\$100,678
	Secretary of Labor	97% of 4,152	336	\$151.54	\$50,917
Contract oversight					
	GS-14	Program Manager	312	\$107	\$33,496
	GS-13	Program Specialist	120	\$91	\$10,901
Report to Congress					
	GS-14	Program Manager	80	\$107.36	\$8,589
	GS-13	Program Specialist	20	\$91	\$1,817
				Grand Total	\$1,246,478
				Cost per application (first year estimate, 4,152)	\$300

Note: Wage include fringe benefits and overhead, and costs are based on the first year estimate of 4,152 employers applying.

The proposed fee for large employers is \$495/application, the proposed fee for medium employers is \$190/application, and the proposed fee for small employers is \$90/application, which makes the average cost to VETS for processing 4,152 applications in the first year \$300/application. The fees were estimated by taking the average cost to VETS, \$300, and multiplying it using factors of time which reflect the added information needed to review: large employers would take VETS 1.6 times longer than the estimated average cost to process the application, for medium employers it would be 0.6 times the average cost, and for small

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employers it would be 0.3 times the average costs.

First year government cost of processing an application		\$300 per employer
Size	Adjustment review factor	Graduated fee by size
Small employers	0.3 x \$300	\$90
Medium employers	0.6 x \$300	\$190
Large employers	1.5 x \$300	\$495

For more detailed discussion see the economic analysis section on the application fee.

Cost Element	First Year	Second Year	Third Year	Three Year average
(Applicant Fees -- Reimbursement to the Federal Government)	\$1,246,449	\$1,679,315	\$2,617,473	\$1,847,746

Employers will be able to submit their applications electronically to the Department. While few employers may choose to download and complete the application, mailing costs for the application would be considered and usual and customary business expenses for those employers.

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational 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.

For the first year, the Federal government will incur a one-time cost of \$933,099 for the initial set-up of the HIRE Vets Medallion Program, or \$311,033 annualized over three years. In subsequent years, the application fee will cover the Program costs. These costs are intended to be offset by application fees. See costs to respondents under Item 13 of this supporting statement.

15. Explain the reasons for any program changes or adjustments reporting in Items 13 or 14.

The Department is proposing new collections of information contained in the proposed regulations implementing the Honoring Investments in Recruiting and Employing American Military Veterans Act of 2017 (HIRE Vets Act of 2017). As a result, the Department requests a program change increase of 58,716 burden hours and a capital cost of \$311,033 for applicants to obtain, complete, and, submit, the HIRE Vets Medallion Applications. VETS developed six application forms variations for the HIRE Vets Medallion Award to assist employers interested in applying for the HIRE Vets Medallion Award.

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 information, completion of report, publication dates, and other actions.

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VETS will not publish the information collected under the Standards.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be appropriate.

The Application will display the OMB control number and expiration date.

18. Explain each exception to the certification statement.

VETS is not requesting an exception to the certification statement.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

This Supporting Statement does not contain any collection of information requirements that employ statistical methods.