

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

**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 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 for large employers with 5,000 or fewer employees from 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].”

Under 38 U.S.C. 4102(a)(1) and 38 U.S.C. 4102, VETS will conduct a system test of the web-based application process in 2018. Under this HIRE Vets Medallion Program Demonstration, (“Program Demonstration”), VETS plans to limit the number of applicants to 300. VETS will solicit applications in 2018 for awards to be made on or about Veteran’s Day 2018.

**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 final rule establishes regulations 20 CFR part 1011, HIRE Vets Medallion Program. Subparts B, D, and G contain collections of information. 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

Section 1011.100 *What are the criteria for the large employer HIRE Vets Medallion Award* sets out the criteria for the large employer awards.

Paragraph (a) sets out the requirements for a large employer gold HIRE Vets Medallion Award. The employer must satisfy all of the following criteria:

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 §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 (a)(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. The employer must satisfy all of the following criteria:

Paragraphs (b)(1) and (b)(2) are the same as paragraphs (a)(1) and (a)(2) for the large employer gold award;

Paragraphs (b)(3) and (b)(4) establish percentages that are higher than (a)(3) and (a)(4) to reflect the higher standard to which platinum applicants will be held;

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;

Paragraphs (b)(7) – (b)(9) are additional requirements that distinguish the large platinum award from the large employer gold award.

Paragraph (b)(7) implements the “dedicated human resources professional”<sup>1</sup> criterion. Additionally, as further explained in §1011.115, there is an exemption for 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 post-secondary education during the term of their employment.

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. An employer must satisfy all of the following requirements:

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 §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:
  - (iii)
    - (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

<sup>1</sup> 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.

(B) On December 31 of the year prior to the year in which the 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) and (b)(2) are the same requirements as paragraphs (a)(1) and (a)(2) for the medium employer gold award.

Paragraph (b)(3), however, establishes 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 the 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 both the following forms of integration assistance. Paragraph (a)(4) required the applicant to choose one of the two forms of integration.

- (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.

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
- (iv) The employer has a tuition assistance program to support veteran employees' attendance in post-secondary education during the term of their employment.

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 have achieved at least one of the following:

- 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 the 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. Paragraphs (b) (1) and (b)(2) are the same requirements as paragraphs (a)(1) and (b)(2) for the small employer gold award.

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

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, 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 in combination with the employee's active duty pay, to achieve a sufficient, 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 post-secondary education during the term of their employment.



Section 1011.115 provides an exemption for certain large employers from the dedicated human resources professional criterion. Large 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. A large 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**

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 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.hirevets.gov>.

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. 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.

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 or an equivalent.

#### Subpart G—Record Retention

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 2 years from the date of application.

#### **Program Demonstration.**

VETS will solicit applications in 2018 for awards to be made on or about Veteran’s Day 2018. This demonstration would use the same criteria as the program under the HIRE Vets Medallion Program Rulemaking, but VETS will not charge employers a fee. The on-line application portal, the application review process, and the level and type of awards would be the same. This demonstration would provide VETS with valuable experience and allow VETS to make needed adjustments to be better prepared to implement the HIRE Vets Medallion Program in 2019.

**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, 20 CFR part 1101. The Application forms will be available to the public via the HIRE Vets website accessible from <https://www.hirevets.gov>. Applicants for both the HIRE Vets Medallion Award, and for the Program Demonstration will be able to complete and submit the completed application form electronically to VETS for consideration. Employers may also request a reasonable accommodation by contacting VETS. For the HIRE Vets Medallion Program, applicants will be able to submit their application fee using Pay.gov.

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

Large employer gold  
Form No. VETS-1011LG

Medium employer gold  
Form No. VETS-1011MG

Small employer gold  
Form No. VETS-1011SG

Large employer platinum  
Form No. VETS-1011LP

Medium employer platinum  
Form No. VETS-1011MP

Small employer platinum  
Form No. VETS-1011SP

**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 final 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 final 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 the final

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 §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 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 a meaningful way to evaluate responses and provide recognition to employers who have the programs to recruit, employ, and retain veterans.

Without the Program Demonstration project, VETS will be less certain if their on-line application would function properly when the on-line application goes live in 2019. This experience will allow VETS to make any needed adjustments to be better prepared to implement the HIRE Vets Medallion Program in 2019.

**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.

On August 18, 2017, VETS published two separate Federal Register Notices that allowed the public an opportunity to comment on the proposed Information Collection Request (ICR) containing the collections of information contained in the proposed regulations and the HIRE Vets Medallion Award application and forms. First, in accordance with the PRA (44 U.S.C. 3507), the HIRE Vets Medallion Program NPRM provided 30 days for the public to comment on the ICR (82 FR 39390). However, the PRA requires that agencies provide a 60-day public comment period on the collections of information in accordance with 44 U.S.C. 3506(c)(2). As a result, VETS published a second companion notice to the NPRM (82 FR 39460) allowing the public the full 60 days to comment on the collections of information contained in the proposal. On August 18, 2017, VETS submitted an ICR to OMB for review in accordance with 44 U.S.C. 3507(d). On October 25, 2017, OMB issued a Notice of Action (NOA) commenting on the proposal's ICR. OMB commented that the NOA is not an approval to conduct or sponsor the collections of information contained in the proposal. OMB noted that this action has no effect on any current approvals; and assigned the ICR control number 1293-0015 to be used in future ICR submissions. Also, OMB instructed the Agency to resubmit this ICR when the final rule is issued.

As related to this rulemaking, VETS updated the ICR making minor updates, such as updates to the Web-based versions of the forms implementing the rule to add processing fields needed for an employer to establish an account and a means to pay the application fee. VETS submitted the final ICR, containing the full analysis and description of the burden hours and costs associated with the final rule, to OMB on the date of publication for approval. A copy of this ICR is available at

<https://www.reginfo.gov/public/do/PRAOMBHistory?ombControlNumber=1293-0015> (this link will only become active on the day following publication of the final rule).

In addition, VETS anticipates conducting a Program Demonstration. VETS plans to limit the number of applicants to 300 to test the application form in 2018. The Program Demonstration will allow VETS to identify and correct any submission issues prior to implementation of the HIRE Vets Medallion Program in FY 2019.

VETS received comments addressing the collections of information and the burden hour cost analysis. Below is a discussion of those comments.

Sections 1011.000-1011.015 detail the program's purpose, scope, definitions, and award types. VETS received several comments on the definitions at § 1011.005 and on the employer size categories at § 1011.015.

### **Definition of Veteran**

*Comment:* One commenter expressed a desire for VETS to incorporate National Guard members mobilized under U.S.C. title 32 into the definition of "veteran" as it implements the statute into final regulatory text.

*Response:* Section 8(c) of the Act states that the term "veteran" has the meaning given such term under 38 U.S.C. 101. Incorporating all mobilization under Title 32 would be inconsistent with the meaning of section 8(c) of the Act. Consequently, VETS declines to make this change. However, as we stated in the NPRM, VETS recognizes that most employers determine which employees are veterans according to the employee's self-identification. VETS does not expect employers to change these practices in order to guarantee that every employee who self-identifies as a veteran meets the definition of veteran set out in the Act. VETS' primary concern is that an employer applying for an award reports as accurately as it is reasonably able. VETS retains the language as proposed.

### **Employer Size Categories**

*Comments:* Two commenters requested a change to the employer award size categories, expressing that it might be difficult for companies with more than 500 employees but fewer than 10,000 employees to compete with those employers that have more than 10,000 employees. One commenter questioned if perhaps revenue would be a better standard by which to categorize employers, while another recommended defining large employers as those with 10,000 or more employees.

*Response:* VETS retains the rule language as proposed because the employer category sizes are established by statute in section 3(b) of the Act. Consequently, VETS does not have the discretion to make this change. VETS would also like to emphasize that the HIRE Vets Medallion Program is a recognition program to honor employer commitment to and investment into veteran recruiting and employment and not a competition amongst employers.

## **Subpart B—Award Criteria**

Sections 1011.100 through 1011.120 enumerate the award criteria for the various award categories and levels. VETS received a few comments suggesting additional criteria or requesting clarification on criteria. VETS also received several comments on the violation of labor law provision at §1011.120. Because many of these comments apply across sections, this response first addresses comments that touch on multiple sections, then addresses comments on § 1011.120, and finally addresses comments suggesting new criteria.

*Comment:* One commenter suggested that the same criteria should apply to all employers regardless of size.

*Response:* For the sake of simplicity, VETS retained consistency across awards to the extent possible. However, to recognize that employers of different sizes will likely have different resources, VETS proposed that small employers need not satisfy as many criteria as medium employers and that medium employers need not satisfy as many criteria as large employers. VETS concludes that the proposed language strikes the best balance between these two interests and retains the language as proposed.

*Comment:* A commenter requested that VETS ensure that there is a meaningful retention requirement. The commenter also suggested companies that hire veterans in order to meet award requirements and subsequently lay off those veterans be made to return any award they receive.

*Response:* VETS agrees that retention is a very important issue for veteran employees. Consequently, every award has a retention criterion. As to the commenter's concern about employers hiring veterans and then laying them off, these awards recognize actions taken and VETS will not revoke an award if an employer legitimately qualified for the award in the previous year. However, VETS can revoke an award for the reasons described in §1011.230, including if the employer falsely attested to its retention numbers. Moreover, §1011.225 allows VETS to review an application, if at any time VETS becomes aware of facts that indicate information provided by an employer may be incorrect, and §1011.600 requires the employer to retain the information supporting its application for two years. VETS retains the language as proposed.

*Comment:* One commenter stated that for some industries, retention numbers are proprietary information and asked how employers could ensure that information used for judging the award would not be released to the public or their competitors.

*Response:* VETS cannot ensure that information submitted for evaluating an application will not be released to the public. Therefore, information submitted by an applicant may become available to the public. The HIRE Vets Medallion Program is a voluntary program. In order to ensure reviewability, all applicants must provide the required information in order to qualify for an award. VETS retains the language as proposed.

*Comment:* One commenter stated that the retained percentage should be compared to the number of actual hires and that employers should present the number of hires along with the number of veterans retained within a given timeframe.

*Response:* VETS agrees that the awards should include both hiring and retention and such criteria are included.

*Comment:* A commenter requested that VETS merge the requirements that employers establish internal organizations (such as the veteran organization or resource group) with the requirement that employers establish an assistance or training program. This commenter also suggested that the percentage of veteran employees enrolled in the veteran organization or resource group could be an additional weighted criterion.

*Response:* VETS retains the language as proposed. Section 3(b)(1) of the Act establishes these criteria as separate criteria intended to serve separate purposes. Veteran organizations or resource groups are support networks for veteran employees while the “assistance or training program” focuses on the provision of post-secondary education to veteran employees. However, there can be overlap in how the employer satisfies its criteria. For instance, a large employer’s human resources professional might run the employee veteran organization or resource group. Similarly, the tuition assistance program for post-secondary education might overlap with the programs established to enhance the leadership skills of veteran employees. As for the suggestion that the percentage of veteran employees enrolled in the veteran organization or resource group be an additional criterion, VETS declines to make this change because it would create an additional reporting burden for employers.

*Comment:* One commenter stated, in regard to the dedicated human resources professional criterion, that large employers might have hiring, training, and retention responsibilities spread across multiple departments.

*Response:* Large employers can have veteran hiring, training, and retention responsibilities spread across multiple departments and still meet the criterion at §1011.100(b)(7). Large employers with more than 5,000 employees need to have at least one dedicated human resources professional per the requirements of section 3(b)(1)(C)(iv) of the Act, but the definition of Dedicated Human Resources Professional in §1011.005 states that these duties can be split amongst multiple people so long as the time spent supporting the hiring, training, and retention of veteran employees is the equivalent of one full-time professional. Additionally, large employers that employ 5,000 or fewer employees need not have a dedicated human resources professional but may instead satisfy this criterion by having at least one human resources professional whose regular work duties include supporting the hiring, training, and retention of veteran employees. The proposed language is consistent with the Act and does not prohibit large employers from having veteran hiring, training, and retention responsibilities spread across multiple departments. VETS retains the language as proposed.

*Comment:* One commenter expressed concern that the pay differential criterion was too vague, as it did not define the types of deployment to which the pay differential criterion applied. The commenter also questioned the length of time an employer would need to offer the pay



differential in order to satisfy the criterion and whether small and medium employers would be able to afford the pay differential for more than a year.

*Response:* The definition of Active Duty in the United States National Guard or Reserve at §1011.005 defines the types of deployment to which the pay differential criterion applies by reference to the definition of active duty in 10 U.S.C. 101(d)(1). Because this definition is well-established and sufficiently clear, VETS retains the proposed language without change. Additionally, VETS appreciates the commenter’s concern that the pay differential applies for as long as the employee is on active duty. However, the pay differential is only included as part of the platinum award criteria and is only required for the large employer platinum award. Consequently, employers could receive all awards except the large employer platinum award without satisfying this criterion. VETS concludes that inclusion of the provision of pay differential for as long as the employee is on active duty is consistent with the higher standard expected of platinum awardees. Consequently, VETS retains the language as proposed.

*Comment:* One commenter requested an explicit list as to which programs constitute “assistance” or “training” programs.

*Response:* VETS retains the language as proposed in order to retain flexibility for employers to provide integration assistance that best suits their workforce. However, VETS agrees that a non-exhaustive list of examples of post-secondary education programs that would satisfy the tuition assistance program criterion would be useful for employers. Examples of post-secondary programs and courses for which employers may provide tuition assistance include:

- Correspondence training
- Entrepreneurship training
- Independent and distance learning
- Licensing and certification reimbursement
- National testing reimbursement
- Tutorial assistance.
- Cooperative training
- Flight training
- Undergraduate and graduate degrees
- Vocational/technical training and non-college degree programs
- On-the-job training and apprenticeships

Also, as the Proposed Rule explained, the assistance provided through an employer’s tuition assistance program may take many forms, including financial assistance, leave assistance, or discounts on post-secondary education.

VETS will continue to offer technical assistance on the types of activities and programs that satisfy the other integration assistance criteria.

### **Comments on Veteran-Specific Labor Violations Criterion at §1011.120**

Section 1011.120 outlines the circumstances that would disqualify or delay an employer from receiving a HIRE Vets Medallion Award for violations incurred under labor laws protecting veterans as administered by, or in conjunction with, VETS and the Office of Federal Contract Compliance Programs (OFCCP). Commenters supported: the premise that an employer that does not take its obligations under the Uniformed Services Employment and Reemployment

Rights Act of 1994 (USERRA) and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA) seriously is undeserving of an award; limiting the covered laws to USERRA and VEVRAA; and retaining discretion to delay an award if VETS has credible information suggesting that a significant violation may have occurred. A commenter also stated that no additional disqualifying events should be added to the list.

*Comment:* One commenter stated that while most of the regulation tracks the Act, the Act contained no corresponding section to the violation of labor law provision proposed at §1011.120.

*Response:* Section 3(b)(1)(E) of the Act grants VETS authority to establish additional criteria for each level of award. VETS used this authority to establish the criterion described in §1011.120. VETS chose to include this criterion because employers that have been proven to have violated, or have explicitly admitted violating the rights of their veteran employees should not receive an award from VETS for their veteran employment practices. VETS retains the language as proposed.

*Comment:* One commenter suggested that “technical or minor” violations of USERRA or VEVRAA should not be disqualifying. The commenter asserted that this provision in the Proposed Rule was similar to provisions in the guidance implementing the now rescinded Executive Order 13673, and that the effect could be employers being disqualified for the award for issues unrelated to the recruitment, employment, and retention of veterans.

*Response:* The disqualification standard proposed in § 1011.120 is far narrower than the one used in the implementation of now rescinded Executive Order (E.O.) 13673. The E.O. covered numerous additional labor statutes (instead of just the veteran employment protections covered here) and would disqualify an employer for violation determinations made by the agency before judicial enforcement proceedings began. Since fairness requires that all applicants be subject to a clear and consistent standard, the final rule will retain the bright line standard instead of adopting a flexible standard. Additionally, VETS declines to revise the regulatory text to distinguish between purportedly major and minor violations for the purposes of this rule.

*Comment:* One commenter questioned whether one of the proposed disqualifying events, a settlement agreement in which the employer admits a violation of either USERRA or VEVRAA, should be included given the varying reasons that employers enter into settlement agreements. If VETS were to keep this provision, the commenter opined that it should not be expanded, so as to avoid creating a disincentive for settling allegations.

*Response:* VETS retains the language as proposed. The rule would only disqualify employers with settlement agreements in which the employer specifically admits to violating USERRA or VEVRAA, two laws closely related to veteran employment. If the employer has violated these laws and admits to doing so in a settlement agreement, VETS has concluded that this is as serious as the judgment of a court or tribunal and, thus, considers it a disqualifying event. Settlement agreements in which the employer does not admit liability for violations of these statutes would not disqualify an employer from consideration.

*Comment:* One commenter suggested that the regulation more explicitly reference the VEVRAA requirement that covered Federal Government contractors and subcontractors follow mandatory job listing requirements.

*Response:* VETS retains the language as proposed because the fact that VETS has incorporated USERRA or VEVRAA and USERRA into the rule should serve to highlight all USERRA and VEVRAA requirements for covered employers. Additionally, it is not appropriate to elevate this single aspect of the VEVRAA requirements when covered employers must comply with all requirements.

*Comment:* One commenter raised the specific concern that Federal contractors attempting to comply with the mandatory job listing requirement set forth in the VEVRAA statute and regulations may nevertheless have violations alleged against them, which could result in their disqualification from receiving an award. The commenter expressed concern over an employer not being able to qualify for an award because, although the employer provides job vacancies to a State or local employment service as required by law, the employment service fails to post the vacancies.

*Response:* This concern is misplaced. First, the specific situation described by the commenter, in which a contractor provides the required job vacancy information to the employment service delivery system (ESDS) location and the ESDS does not post it, does not constitute a violation of VEVRAA. Per the relevant VEVRAA regulations, so long as the contractor provides the job vacancy information “in any manner and format permitted” by the appropriate ESDS, it has satisfied its obligation under the regulations, and would not be disqualified from receiving an award as a result. See 41 CFR § 60-300.5(a)(2). Second, an “alleged” violation of VEVRAA’s mandatory job listing requirement would not alone trigger disqualification. As this final rule makes clear, only a decision of an administrative law judge that is not appealed and becomes the final agency action, or a settlement agreement in which the employer explicitly admits that it violated VEVRAA, could result in disqualification.

### **Suggested New Criteria**

*Comment:* One commenter requested that VETS create an alternative criterion to the veteran employee percentage criterion that weighs the number of veterans who are applying for employment, potentially tracking progress for employers with nascent veteran hiring programs. The commenter expressed concern that the alternative veteran employee percentage criterion does not always correlate with the effort that employers put into a veterans hiring initiative, favoring employers with already established programs.

*Response:* The number of veteran applications, while an integral part of recruitment, does not necessarily equate to hiring or retention, the focus of the Act. Therefore, in order to best reflect the focus of the Act and to retain simplicity, VETS retains the language as proposed instead of adding an additional alternative criterion.

*Comment:* One commenter requested that a portion of the application allow employers to outline military/veteran-friendly initiatives or awards that the employers have received.

*Response:* The application form contains an optional item that allows employers to describe efforts to support the veteran and military community. However, this item is not a criterion for recognition and will not factor into whether an employer receives an award. It will instead be used to facilitate the sharing of good practices for veteran hiring and retention. The HIRE Vets Medallion Program is a recognition program to honor employer commitment to, and investment in, veteran recruiting and employment. Therefore, VETS declines to establish a criterion for the HIRE Vets Medallion Program related to other military/veteran-friendly initiatives and awards.

*Comment:* A commenter requested inclusion of an additional criterion more specifically targeting community and charitable services provided by employers to the veteran community.

*Response:* Section 2(a) of the Act states that the purpose of the Act is to recognize efforts by employers to recruit, employ, and retain veterans and to provide community and charitable services supporting the veteran community. VETS agrees that community and charitable services are an integral part of supporting the veteran community. However, VETS declines to establish an additional criterion related to community and charitable services because these services are already integrated throughout the large employer criteria that serve as the basis for the small and medium employer criteria. Consequently, VETS retains the language as proposed.

*Comment:* One commenter suggested an additional criterion that employers use the workforce development system to list their job openings, either directly with State job banks or through the National Labor Exchange (NLx). The commenter expressed concern that if such a criterion is not established, then the high-quality jobs offered by employers applying for the award might not reach the veterans, transitioning service members, and spouses served by the Department.

*Response:* NLx is recognized as a workforce system tool that collects and disseminates job postings, including through State job banks. VETS encourages employers to use State job banks as a resource to help with the recruitment of veteran employees. Although VETS encourages the use of State job banks, it declines to add a related criterion in order to retain flexibility for employers in structuring how they satisfy the award criteria.

*Comment:* One commenter also suggested an additional criterion requiring engagement with the workforce development system or that, at the very least, additional consideration be provided to applications that reflect collaboration with the workforce development system. The commenter stated that employers could use the workforce development system to screen job applicants and facilitate participation in career and hiring events, as well as for help with many other activities. The commenter noted that these services might be particularly critical for small employers who lack a human resources professional. The commenter also noted that employers can serve on State and Local Workforce Development Boards where they can participate in the design and operation of services in their area.

*Response:* The public workforce system includes a nationwide network of over 2,400 American Job Centers (AJCs), a network operated in partnership by Local Workforce

Development Boards, State Workforce Agencies, and DOL. VETS will continue to work closely with Federal and State partners to provide coordinated information and services to job seekers and employers while continually facilitating and developing meaningful employment and training opportunities for transitioning service members, veterans, and military families. *VETERANS.GOV* enables employers to directly contact VETS' VEOP to request assistance in hiring veterans. Although, as with the comment on including a State job bank or NLx criterion, VETS encourages employers to take advantage of the public workforce system, it declines to add a related criterion in order to retain flexibility for employers.

*Comment:* One commenter suggested adding a criterion for procedural descriptions of a 6-month onboarding process for veteran employees.

*Response:* Although VETS agrees that effective onboarding of veteran employees is important to the establishment of a successful working environment for veteran employees, the final rule retains the language as proposed because the various forms of integration assistance covered by the proposed criteria already answer the purpose of this request. For example, the veteran organization or resource group criterion requires that the organization or resource group assist “new veteran employees” (emphasis added).

### **Subpart C—Application Process**

Subpart C sets out the application process for the HIRE Vets Medallion Award. VETS received two comments on subpart C.

*Comment:* A commenter asked that VETS reconsider §1101.210 and that employers be allowed to win an award every year.

*Response:* The requirement at §1011.210 is a requirement of the Act. Section 2(d) of the Act states that “[a]n employer who receives a HIRE Vets Medallion Award for one calendar year is not eligible to receive a HIRE Vets Medallion Award for the subsequent calendar year.” Consequently, VETS does not have discretion to make this change. However, for purposes of clarity, VETS has amended proposed § 1011.210 to reference section 2(d) of the HIRE Vets Act.

*Comment:* A commenter also asked VETS to clarify who will be reviewing applications for the medallion awards.

*Response:* VETS is responsible for the application review and award determination for the HIRE Vets Medallion Program. VETS also made a technical correction to § 1011.230(a), clarifying that VETS can deny an award if an employer fails to satisfy all application requirements. This is not a substantive change; this requirement was already included in §1011.010. However, VETS has added it to the language of § 1011.230 for additional clarity.

### **Subpart D—Fees and Caps**

Subpart D sets out the fees for the HIRE Vets Program and the application caps that VETS can utilize.

*Comment:* One commenter requested clarity as to whether it is VETS' understanding that the fee authorized by section 5(b) of the Act can only be collected if a future appropriations action triggers the fee collection.

*Response:* Section 5(b) of the Act grants VETS authority to collect fees and states that VETS "shall establish the amount of the fee such that the amounts collected as fees and deposited into the [HIRE Vets Medallion Award] Fund are sufficient to cover the costs associated with carrying out this division." Therefore, the Act grants VETS authority to collect fees and does not require a future appropriations action to trigger this authority.

*Comment:* One commenter expressed concern about the accountability of the award fund and asked what safeguards would be in place to protect money in the fund.

*Response:* Funds contained in the HIRE Vets Medallion Award Fund will be subject to the same protections and safeguards that are applied to all Federal Government funds.

VETS received not comments on: Subpart E—Design and Display; Subpart F—Requests for Reconsideration; and on Subpart G—Record Retention.

## **Economic Assumptions**

In the NPRM, data from the BLS on veteran employment were presented as a key input for estimating the number of eligible employers. VETS did not receive comments on the use of BLS data for estimating the number of employers meeting the criterion of 7 percent veteran employment. The methodology presented in the NPRM to estimate the number of eligible employers has not been modified, although there were various commenters who recommended changes to the regulation that could have impacts on the eligibility estimates. For reasons explained in the responses to public comments above, VETS did not make changes to the rule in response to public comments. Therefore, no changes were made to the employer eligibility estimates used in the NPRM.

VETS received a few public comments related to the NPRM's cost estimation. For example, a commenter stated that there are "small employer[s] who may lack a dedicated Human Resources professional, and rel[y] on the AJC staff for many hiring functions."

VETS agrees that smaller employers often will not employ the same type of human resources professionals as medium or larger employers do, and this is reflected in the cost estimates and criteria for applying.

Other commenters suggested changes in certain program criteria, which, if adopted by VETS, could have impacted unit costs associated with filling out the forms. However, as explained in the responses to public comments above, VETS did not make any changes to the award criteria in response to public comments. Therefore, no changes were made to the unit cost estimates used in the NPRM.

**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 methodology for the cost estimates will remain the same as those presented in the NPRM. No public comments were received addressing the methodology for estimating costs of the regulation. 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*).

	<b>Table 1</b>
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	<b>(Final rule) Employers Participating Employers Over Three Year</b>				
	1st year	2nd year	3rd year	Total employers	<b>Average over three years</b>
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
<b>Total</b>	4,152	6,228	10,728	21,108	7,036

Under the Program Demonstration VETS plans to will limit the number of applicants that test the on-line application porta1 to 300. To calculate burden hours and costs, the Agency assumes small, medium, and large employers will each submit 100 applications. Table 1(a) averages the one-year Program Demonstration with the first two years of employers will be submitting applications in accordance with the final rule.

	<b>Table 1 (a) ( Program Demonstration Employers and Final rule) Employers Participating Employers Over Three Year</b>				
	1 <sup>st</sup> year	2 <sup>nd</sup> year	3rd year	Total employers	<b>Average over three years</b>
Small Employers	100	304	674	1,078	359
Medium Employers	100	2,248	2,997	5,345	1,782
Large Employers	100	1,601	2,557	4,258	1,419
<b>Total</b>	300	4,152	6,228	10,681	3,560

### 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, 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 final 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.

Table 3 (Final rule) Summary of Respondents, Responses, Burden Hour and Wage Hour Costs							
Collection of Information	Annual Respondents	Frequency	Responses	Time in Hours	Annual Burden	Wage Rates/Unit	Annual Value of Respondents'

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					Hours	Cost	Time
<b>Familiarization (Recordkeeping)</b>							
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
<b>Data/Collection and Maintenance</b>							
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
<b>Query Report</b>							
Large/Medium	6,035	1	6,035	2	12,070	61.33	\$740,281.55
<b>Filing Form</b>							
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
<b>Executive Signature</b>							
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
<b>Appeals: Once Percent Total (Reporting)</b>							
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
<b>Unduplicated Totals</b>			<b>34,245</b>		<b>58,716</b>		<b>\$3,223,570.74</b>

**Table 3 (a) Program Demonstration  
Summary Respondents, Responses, Burden Hours and Wage Hour Costs**

Collection of Information	Annual Respondents	Frequency	Responses	Time in Hours	Annual Burden Hours	Wage Rates/Unit Cost	Annual Value of Respondents' Time
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<b>Familiarization (Recordkeeping)</b>							
Large/Medium/Small	300	1	300	1	300	\$84.61	\$25,383.00
<b>Data/Collection and Maintenance</b>							
Large/Medium Employers	200		200	5	1,000	\$45.68	\$45,680.00
Small Employers	100	1	100	3	300	\$30.67	\$9,201.00
<b>Query Report</b>							
Large/Medium	200	1	200	2	400	\$61.33	\$24,532.00
<b>Filing Form</b>							
Large/Medium	200	1	200	2	400	\$45.68	\$18,272.00
Small Employers	100	1	100	1	100	\$30.67	\$3,067.00
<b>Executive Signature</b>							
Large/Medium	200	1	200	0.25	50	\$136.81	\$6,840.50
Small Employers	100	1	100	0.25	25	\$84.61	\$2,115.25
<b>Appeals: Once Percent Total (Reporting)</b>							
Large/Medium/Small	0	0	0	0	0	0	\$0.00
<b>Unduplicated Totals</b>	<b>300</b>		<b>1,400</b>		<b>2,575</b>		<b>\$135,090.75</b>

<b>Table 4 Total Time By Size of Firm</b>			
	<b>Large Employers</b>	<b>Medium Employers</b>	<b>Small Employers</b>
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
<b>Total burden hours</b>	<b>10.75 hours</b>	<b>8.25 hours</b>	<b>5.75 hours</b>

### **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](http://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 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(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.

The award program sets 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.

		Hours (assuming 4,152 applications)	Hourly wage	Total Cost
Processing	Resource			
Messaging and				

HIRE Vets Medallion Program (20 CFR part 1011)

1293-0015

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<b>Marketing</b>					
	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
<b>Contractor maintenance estimate</b>					
	contractor	Computer and Mathematical Occupations	240	\$85	\$20,280
<b>Application through Award</b>					
	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
<b>Award Notification</b>					
	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
<b>Contract oversight</b>					
	GS-14	Program Manager	312	\$107	\$33,496
	GS-13	Program Specialist	120	\$91	\$10,901
<b>Report to Congress</b>					
	GS-14	Program Manager	80	\$107.36	\$8,589
	GS-13	Program Specialist	20	\$91	\$1,817
				<b>Grand Total</b>	\$1,246,478
				<b>Cost per application (first year estimate, 4,152)</b>	\$300

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

The fee for large employers is \$495/application, the fee for medium employers is \$190/application, and the 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 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 complete a paper copy the application, mailing costs for the application would be considered and usual and customary business expenses for those employers.

There will be no costs for applicants to apply for the HIRE Vets Medallion Award during the Program Demonstration.

**Costs for Program Demonstration  
 and Implementation Final rule First Two Years.**

Cost Element	Program Demonstration	First Year	Second Year	Three Year average
(Applicant Fees -- Reimbursement to the Federal Government)	0\$	\$1,246,449	\$1,679,315	\$975,255

**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 of the HIRE Vets Medallion Program, the Federal government will incur a one-time cost of \$933,099 for the initial set-up, 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.

For the Program Demonstration, VETS estimates that it will cost the Federal government approximately \$300.00 per applicant, estimating a receiving a total 300 application; the cost to the Federal government is \$90,000.

**Federal government Costs for Program Demonstration, Initial Set-up,**



**and Implementation Final rule First Two Years.**

<b>Cost Element</b>	<b>Program Demonstration and Initial Set-up</b>	<b>Final rule First Year</b>	<b>Final rule Second Year</b>	<b>Total Cost</b>	<b>Three Year average</b>
( Initial Set-up Fees (First year; Applicant Fees --Reimbursement to the Federal Government)	\$90,000 + \$933,099 = \$1,023,099	\$1,246,449	\$1,679,315	\$3,948,863	\$1,316,288

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

Final rule

The final rule, annualized over a three-year period, would result in a program change increase of 58,716 burden hours and a capital cost of \$1,847,746 for employers to pay the fees to apply for the HIRE Vets Medallion Award.

Program Demonstration

The Department is requesting OMB approval for the one-time Program Demonstration. The Program Demonstration alone would result in a program increase of 2,375 hours with no capital costs. Applicants do not need to pay a fee to participate in the Program Demonstration.

<b>Program Demonstration and Final rule Summary Respondents, Responses, Burden Hours and Wage Hour Costs</b>				
<b>Action</b>	<b>Annual Respondents</b>	<b>Responses</b>	<b>Burden Hours</b>	<b>Costs (Item 13)</b>
<b>Program Demonstration 1st Year</b>	300	1,400	2,575	0

<b>Final rule 2nd Year</b>	7,036	34,245	58,716	\$1,246,449
<b>Final rule 3rd Year</b>	7,036	34,245	58,716	\$1,679,315
<b>Totals</b>	14,372*	69,890*	120,007*	\$2,925,764

\* Reginfo.gov database entries equal total 3-year burden when multiplying the regular program by two years and the demonstration program by one year.

VETS is requesting a program increase of 40,002 hours, annualized, for both the 2018 Program Demonstration and implementation of the final rule for the two subsequent years, at an annualized cost of \$975,255.

The Demonstration Project and the final rule are two separate Information Collections. Therefore, two separate entries must be entered into the ROCIS data base; the total of both entries must equal the above annualized 3-year totals. Since the Program Demonstration, is a one-time occurrence, the Program Demonstration IC will account for 1/3 of the annualized respondents (1,597), responses (7,766), burden hours (13,334), and costs \$325,085. The final rule IC will account for the remaining 2/3 of the annualized respondents (3,193), responses (15,531), burden hours (26,668) and costs \$650,170.

**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.**

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.