**Supporting Statement For**

**Honoring Investments in Recruiting and Employing American Military Veterans**

**Medallion Program**

**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 (henceforth known as the “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 with5,000 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.

This information collection is contained with 20 CFR part 1011, HIRE Vets Medallion Program. Subparts B, D, and G. 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”[[1]](#footnote-1) 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:

1. The hiring criteria - veterans constitute not less than 7 percent of all employees hired by such employer during the prior calendar year; or
2. The employer has achieved both of the following:
3. 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
4. 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:

1. 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 percentof 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

1. 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, 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 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.

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| --- | --- | --- | --- |
| 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.

**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 Medium employer gold Small employer gold

Form No. VETS-1011LG Form No. VETS-1011MG Form No. VETS-1011SG

Large employer platinum Medium employer platinum Small employer platinum

Form No. VETS-1011LP Form No. VETS-1011MP 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 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. Also included is the 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, 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 in Section 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.

**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.**

The Department published a 60-day Federal Register Notice on November 3, 2020, notifying the public of its intent to pursue this information collection. No public comments were received.

A 30-day Federal Register Notice was published on 1/14/2021 requesting comment from the public as well.

**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 cost estimates will remain unchanged. 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.

**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.

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| **Table 2 Wage Hour Estimates** | | | | |
| **Occupational Title** | **Standard Occupation Code** | **Mean Hour Wage Rate** | **Percent of Fringe Benefits** | **Loaded Hourly Wage Rate** |
| *Large/Medium employer resources* |  |  |  |  |
| Human Resource Manager | 11-3121 | $56.11 | 0.702 | $79.93 |
| Human Resource Specialists | 13-1071 | $29.77 | 0.702 | $42.41 |
| Data Base Administrators | 15-1240 | $43.94 | 0.702 | $62.59 |
| Chief Executive | 11-0011 | $93.44 | 0.702 | $126.32 |
|  |  |  |  |  |
| *Small employer resources* |  |  |  |  |
| Human Resource Manager | 11-3121 | $56.11 | 0.702 | $79.93 |
| Payroll and timekeeping clerks | 43-3051 | $22.20 | 0.702 | $31.62 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Summary of Respondents, Responses, Burden Hour 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** | |
| **Familiarization (Recordkeeping)** |  |  |  |  |  |  |  | |
| Large/Medium | 6,035 | 1 | 6,035 | 1 | 6,036 | 79.93 | $482,457.48 | |
| Small Employers | 1,000 | 1 | 1,000 | 1 | 1,000 | 79.93 | $79,930 | |
| **Data/Collection and Maintenance** |  |  |  |  |  |  |  | |
| Large Employers | 2,664 | 1 | 2,664 | 5 | 13,320 | 42.41 | $564,901.20 | |
| Medium Employers | 3,371 | 1 | 3,371 | 3 | 10,113 | 42.41 | $428,892.33 | |
| Small Employers | 1,000 | 1 | 1,000 | 3 | 3,001 | 31.62 | $94,891.62 | |
| **Query Report** |  |  |  |  |  |  |  | |
| Large/Medium | 6,035 | 1 | 6,035 | 2 | 12,070 | 62.59 | $755,461.30 | |
| **Filing Form** |  |  |  |  |  |  |  | |
| Large Employers | 2,664 | 1 | 2,664 | 2 | 5,328 | 42.41 | $225,960.48 | |
| Medium Employers | 3,371 | 1 | 3,371 | 1.5 | 5,057 | 42.41 | $214,467.37 | |
| Small Employers | 1,000 | 1 | 1,000 | 1 | 1,000 | 31.62 | $31,620 | |
| **Executive Signature** | |  |  |  |  |  |  | |
| Large/Medium | 6,035 | 1 | 6,035 | 0.25 | 1,509 | 126.32 | $190,616.88 | |
| Small Employers | 1,000 | 1 | 1,000 | 0.25 | 250 | 79.93 | $19,982.50 | |
| **Appeals: Once Percent Total (Reporting)** | |  |  |  |  |  |  | |
| Large/Medium | 60 | 1 | 60 | 0.5 | 30 | 79.93 | $2,397.90 | |
| mall Employers | 10 | 1 | 10 | 0.5 | 5 | 79.93 | $399.65 | |
| **Unduplicated Totals** |  |  | **34,245** |  | **58,716** |  | | **$3,091,814** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **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** |
| **Familiarization (Recordkeeping)** |  |  |  |  |  |  |  |
| Large/Medium/Small | 300 | 1 | 300 | 1 | 300 | $79.93 | $23,979 |
| **Data/Collection and Maintenance** |  |  |  |  |  |  |  |
| Large/Medium Employers | 200 |  | 200 | 5 | 1,000 | $42.41 | $42,410 |
| Small Employers | 100 | 1 | 100 | 3 | 300 | $31.62 | $9,486 |
| **Query Report** |  |  |  |  |  |  |  |
| Large/Medium | 200 | 1 | 200 | 2 | 400 | $62.59 | $25,036 |
| **Filing Form** |  |  |  |  |  |  |  |
| Large/Medium | 200 | 1 | 200 | 2 | 400 | $42.41 | $16,964 |
| Small Employers | 100 | 1 | 100 | 1 | 100 | $31.62 | $3,162 |
| **Executive Signature** | |  |  |  |  |  |  |
| Large/Medium | 200 | 1 | 200 | 0.25 | 50 | $126.32 | $6,316 |
| Small Employers | 100 | 1 | 100 | 0.25 | 25 | $79.93 | $1,998.25 |
| **Appeals: Once Percent Total (Reporting)** | |  |  |  |  |  |  |
| Large/Medium/Small | 0 | 0 | 0 | 0 | 0 | 0 | $0.00 |
| **Unduplicated Totals** | **300** |  | **1,400** |  | **2,575** |  | **$129,351** |

|  |  |  |  |
| --- | --- | --- | --- |
| **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](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.

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| --- | --- | --- | --- | --- | --- | --- |
| **Processing** | **Resource** | | | **Hours (assuming 4,152 applications)** | **Hourly wage** | **Total Cost** |
| **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** | | $300 |

**Note:**  Wage include fringe benefits and overhead, and costs are based on 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 |

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.

**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.**

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.

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

There are no program changes or adjustments to the information collection within OMB Control No. 1293-0015.

**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.

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. [↑](#footnote-ref-1)