

SUPPORTING STATEMENT FOR VA FORM 26-1839
COMPLIANCE INSPECTION REPORT
(2900-0041)

A. Justification

1. The Code of Federal Regulations (38 CFR chapter 1, section 36.4400) states that references in the regulation pertaining to assistance to certain disabled veterans in acquiring specially adapted housing to 38 U.S.C. chapter 21 (section 2101 and chapter 37 (section 3704), shall where applicable, be deemed to refer also to the prior corresponding provision of the law. Title 38, U.S.C., section 3704(a) states that no loan for the purchase or construction of residential property shall be financed through the assistance of VA unless the property meets or exceeds minimum requirements for planning, construction, and general acceptability prescribed by the Secretary. This requirement does not apply to a loan for the purchase of residential property on which construction is fully completed more than 1 year before a loan is made.

2. Normally three inspections of a dwelling under adaptation are required. Each inspection is conducted by a fee compliance inspector and reported on VA Form 26-1839. An unapproved copy of the form is left at the job site for the convenience of the builder, one copy is retained by the fee compliance inspector, and the remaining copy is forwarded to the Construction and Valuation Section at the appropriate VA Regional Loan Center for processing.

The system of compliance inspections provides a level of protection to the specially adapted housing veteran by assuring them and VA that the adaptation is constructed in substantial conformity with the plans and specifications upon which a Specially Adapted Housing Grant is based.

3. Considering the small volume of cases, we do not believe that automation would be cost effective for VA, the fee-basis inspectors who complete the form or the lenders who receive it. VA Form 26-1839 requires very specific information collected in the field at the time the inspection is performed. In fact, if VA forced inspectors and lenders to automate their use of the form in a manner that is not cost effective for them, that would likely discourage their future participation in the VA Loan Guaranty program. Therefore, we have no plans to automate the use of this form. VA Form 26-1839 can be downloaded at the following address: <http://www.vba.va.gov/pubs/forms/26-1839.pdf>.

4. No duplication of information is involved. Compliance inspections are performed on specific properties based on plans and specifications on a particular property.

5. Small organizations are involved, however, the information requested is the minimum necessary to determine compliance with VA-approved plans and specifications and VA minimum property standards.

6. This information collection is not a recurring or repetitive report. It is accomplished on a one-time basis per individual applicant.

7. There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.

8. The Department notice was published in the Federal Register on April 25, 2007, volume 72, number 79. No outside consultations were solicited since VA Form 26-1839 is being completed satisfactorily by fee compliance inspectors. There were no comments received.

9. No payments or gifts to respondents have been made under this collection of information.

10. Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records, and Vendee Loan Applicant Records - VA (55VA26) contained in the Privacy Act Issuances, 2001 Compilation.

11. No sensitive questions appear on the form.

12. Estimate of Information Collection Burden

a. Number of respondents is estimated at 6,300 per year.

b. Frequency of response is generally one time.

c. Annual burden is 1,575 hours.

d. The estimated average completion time of 15 minutes per response was based on informal consultations with fee compliance inspectors and staff reviewers.

e. The total estimated cost to respondents is \$23,625 (1,575 hours x \$15 per hour).

13. This submission does not involve any recordkeeping costs.

14. Estimated Cost to the Federal Government

\$ 7,456 Estimated Loan Guaranty processing cost for FY 2007
(6,300 responses x 3 minutes per case x \$23.67 per hour
(average Loan Guaranty field salary))

\$ 1,323 Estimated cost for printing (\$210 per 1,000)

\$ 2,457 Estimated mailing costs (.39 x 6300)

\$11,236 Total estimated cost to Government

15. There is a decrease in burden hours due to the decrease need for new housing appraisals.

16. Information collection is not for tabulation or publication use.

17. The collection instrument, VA Form 26-1839, may be reproduced and/or stocked by the respondents and veterans service organizations. This form does not display an expiration date, and if required to do so it would result in unnecessary waste of existing stocks of this form. This form is submitted to OMB for approval every 3 years. As such, this date requirement would also result in an unnecessary burden on the respondents and would delay Department action on the benefit being sought. VA also seeks to minimize its cost to itself of collecting, processing, and using the information by not displaying the expiration date. For the reasons stated, VA continues to seek an exemption that waives the displaying of the expiration date on VA Form 26-1839.

18. This submission does not contain any exceptions to the certification statement.

A. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

1. The Veterans Benefits Administration does not collect information employing statistical methods.