

SUPPORTING STATEMENT FOR VA FORM 26-6681,
APPLICATION FOR FEE PERSONNEL DESIGNATION
(2900-0113)

A. JUSTIFICATION

1. A detailed explanation of the circumstances which make the form necessary is as follows:

VA uses fee basis appraisers to appraise residential real estate and recommend value for loan purposes. A fee appraiser is a qualified person requested by the Secretary to render an estimate of the reasonable value of a property, or of a specified type of property, within a stated area for the purpose of justifying the extension of credit to an eligible veteran (38 CFR 36.4301). The fee appraiser's estimate of value is reviewed by a VA staff appraiser or lender's staff appraisal reviewer who uses the data to establish the VA reasonable value (38 U.S.C. 3710(b)(4), (5), (6) and 3731(f) (1)), which becomes the maximum loan guaranty amount an eligible veteran can obtain.

The Secretary is authorized by 38 U.S.C. 501(a) "... to prescribe all rules and regulations which are necessary or appropriate to carry out the laws administered by the Department...". One of these laws (38 U.S.C. 3704(a)) states that "No loan for the purchase or construction of residential property shall be financed through the assistance of this chapter unless the property meets or exceeds minimum requirements for planning, construction, and general acceptability prescribed by the Secretary...". To carry out the provisions of this law, compliance inspectors are used when necessary to verify that builders/sellers are complying with the requirements established by the Secretary. Since the Secretary is authorized to make the rules and regulations with respect to carrying out the provisions of title 38, this would also include the authority to collect necessary information to determine the qualifications and acceptability of compliance inspectors. No designation as compliance inspector may be made unless a completed application form has been received (38 U.S.C. 501(a), 513 and 3704(a)).

2. VA Form 26-6681 solicits information on the fee personnel applicant's background and experience in the real estate valuation field. VA Regional Loan Centers (RLCs) use data on the form to evaluate the applicants' experience for the purpose of designating qualified individuals to serve on the fee roster for their stations. Qualifications are stated in 38 CFR 36.4339.

Upon receipt of the form, the Valuation Officer determines if basic qualifications have been met. Applications which meet the basic qualifications are retained in a pending file if no vacancies exist, and applicants are informed by letter that all eligible applications will be considered when a vacancy occurs. Applicants who fail

to meet the basic qualifications are informed by letter and the application is held for 6 months and is then destroyed.

When a vacancy does occur, applications are reviewed by the Fee Panel Committee and designation or rejection of applicants is made to the Loan Guaranty Officer (LGO). If an applicant is designated, he or she is notified by letter from the LGO. Applications for designated fee appraisers and compliance inspectors are maintained in a fee personnel file. Since the recommendations of fee personnel concerning the value and/or condition of properties proposed as security for home loans directly impacts loan approval decisions, and therefore the Government's contingent liability, it is essential that persons performing this work be well-qualified. The collection of this information is essential in evaluating the professional expertise of fee applicants.

3. This form is available on the One VA Forms Website (<http://www.va.gov/vaforms>) in a fillable electronic format. VBA is currently hosting this form on a secure server. Individuals can complete and save a copy of the form to their computer and submit via e-mail to the RLC of their jurisdiction. E-mail address can be found on the Fee Panel Application page at <http://www.benefits.va.gov/homeloans/feepanel.asp>.

4. There is no duplication of information involved. No similar information is available as the form solicits information concerning the fee personnel applicant's qualifications.

5. Small organizations are not involved. The VA obtains the services of fee personnel on an individual basis only, based on the professional expertise of the individual.

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 May 10, 2012, page 27543. No comments were received.

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

10. Loan Guaranty Fee Personnel and Program Participant Records - VA (17VA26) contained in the Privacy Act Issuances, 2001 Compilation.

11. VA collects information of a sensitive nature under this collection of information.

12. Estimate of Information Collection Burden

- a. The number of respondents is estimated at 2,000 per year.
- b. Frequency of response is generally one time.
- c. Annual burden is 1,000 hours.
- d. The estimated average response time of 30 minutes is based on trial use with staff personnel including appraisers, who are familiar with the type of information required by the form.
- e. The total estimated cost to respondents is \$15,000 (1,000 hours x \$15 per hour).

13. This submission does not involve any recordkeeping costs.

14. Estimated Annualized Cost to the Federal Government

\$27,240 Estimated Loan Guaranty processing cost for FY 2012
(2,000 cases x 30 minutes x \$27.24 per hour average Loan Guaranty field salary)

\$27,240 Total estimated cost to Federal Government

15. The decrease in respondents is due to the end of recruitment initiatives. With the end of these efforts there was a drop in applicants to the VA Fee Panel.

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

17. Not requesting exemption.

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

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

The collection of information does not employ statistical methods.