

SUPPORTING STATEMENT FOR VA FORM 26-8736  
APPLICATION FOR AUTHORITY TO CLOSE LOANS ON AN  
AUTOMATIC BASIS - NONSUPERVISED LENDERS  
(2900-0252)

JUSTIFICATION

1. Section 3702(d)(3) of title 38, U.S.C. provides for non-supervised lenders to make automatically guaranteed loans if they are approved for such purpose by the Secretary of Veterans Affairs. Automatic lending privileges eliminate the requirement for submission of loans to VA for prior approval. Lending institutions with automatic loan privileges may process and disburse such loans and subsequently report the loan to VA for issuance of guaranty. The 30-day FRN indicated form was an extension. However, it has now been changed to a revision due to the addition of the expiration date placeholder.

2. VA Form 26-8736 is used by non-supervised lenders requesting approval to close loans on an automatic basis. The form contains information and data considered crucial for making acceptability determinations as to lenders who shall be approved for this privilege.

Upon receipt of the form, the VA Regional Loan Centers will process and evaluate the information. They will then advise the lender-applicant of their decision. Without this information, VA would not be able to determine if lender-applicants met the qualifications for processing loans on the automatic basis.

3. The form is available in a fillable format on the One-VA forms website which allows lenders easy access to it. The information requested on the form is varied and specific to each individual applicant. An electronic submission system is not advantageous to the government as the number of estimated respondents (120) does not justify the cost of creating and maintaining such a system.

4. No duplication of information is involved.

5. Some small businesses may be involved, VA has developed this form to streamline the approval process.

6. This information collection is not a recurring or repetitive report. It is generally conducted 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, Volume 79, Number 21 on January 31, 2014, at pages 5531 and 5532. There were no comments in response to this notice.

9. Decisions to provide any payment or gift to respondents does not apply.

10. Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records, and Vendee Loan Applicant Records - VA (55VA26) are 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: 120

b. Frequency of Response: one time

c. Annual Burden Hours: 50

d. Estimated Completion Time: 25 minutes

e. According to the U.S. Bureau of Labor Statistics, Average Hourly Earnings are \$24, making the total cost to the respondents an estimated \$1200.

13. This submission does not involve any recordkeeping costs.

14. Estimated Annualized Cost to the Federal Government

\$ 1,362.00	Estimated Loan Guaranty processing cost for FY 2013 (50 hours x \$27.24 per hour includes Central Office and Field Personnel's average loan guaranty salary)
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\$1,362.00	Total estimated cost to Federal Government
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15. Expiration date placeholder has been added to the form.

16. Information is not for publication purposes.

17. We are not seeking approval to omit the expiration date for OMB approval.

18. There is no exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions" of OMB Form 83-I.

## B. STATISTICAL METHODS

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