

Supporting Statement for VA Form 26-8261a,
Request for Certificate of Veteran Status
OMB No. 2900-0745

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary. Identify legal or administrative requirements that necessitate the collection of information.

VA Form 26-8261a is used by VA to determine an applicant's eligibility for a possible reduced down payment when obtaining a loan insured by the Federal Housing Administration (FHA), under the provisions of Section 203(b)(2) or 220(d)(a) of the National Housing Act as amended. Due to the incorrect title stated on the original 30 Day Draft Federal Register, the notice had to be corrected.

2. Indicate how, by whom, and for what purposes the information is to be used; indicate actual use the agency has made of the information received from current collection.

FHA actually provides the benefit. However, VA is charged with determining if the veteran-applicant meets the basic eligibility requirements regarding length and character of service. If eligibility is established, VA issues the applicant a Certificate of Veterans Status that is then used when the borrower obtains an FHA insured loan. This certificate gives the borrower the possibility of a reduced down payment on an FHA backed loan.

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.

VA has not developed an information technology solution for making these determinations because of its limited use. Maintaining a system for electronic submissions would not be cost effective. The form is available on the Internet at <http://www.va.gov/vaforms>.

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 2 above.

There is no duplication of information involved. No similar information is available as the form solicits information concerning an individual's veteran status for possible eligibility for a reduced down payment when obtaining a home loan insured by the Federal Housing Administration.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

The collection of information does not involve small businesses.

6. Describe the consequences 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.

The information collected is completed by applicants and is necessary to establish eligibility for the FHA administered program. The collection is typically conducted only once per applicant.

7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or require respondents to prepare written responses to a collection of information in fewer than 30 days after receipt of it; submit more than an original and two copies of any document; 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 and require the use of a statistical data classification that has not been reviewed and approved by OMB.

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. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the sponsor'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 sponsor in responses to these comments. Specifically address comments received on cost and hour burden.

The Department notice was published in the Federal Register on October 21, 2015, page 80 FR 63879. No comments were received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

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

10. Describe any assurance of privacy, to the extent permitted by law, provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records (55VA26) are contained in the Privacy Act Issuances, 2001 Compilations.

11. Provide additional justification for any questions of a sensitive nature (Information that, with a reasonable degree of medical certainty, is likely to have a serious adverse effect on an individual's mental or physical health if revealed to him or her), such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private; include 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.

No questions of a sensitive nature are contained on the form.

12. Estimate of the hour burden of the collection of information:

Estimate of Information Collection Burden

- a. The number of respondents is estimated at less than 25 per year. The decrease in volume is due to the continued decline in FHA/VA loans.
- b. Frequency of response is generally one time.
- c. Annual burden is 4 hours.
- d. The estimated average response time of 10 minutes per transaction is based on Loan Guaranty form usage experience.
- e. The respondent population is composed of Veterans. VBA cannot make further assumptions about the population of respondents because of the variability of factors such as the educational background and wage potential of respondents. Therefore, VBA used general wage data to estimate the respondents' costs associated with completing the information collection.

The Bureau of Labor Statistics gathers information on full-time wage and salary workers. Accordingly, the median weekly earnings of full-time wage and salary workers is \$809.20. Assuming a forty (40) hour work week, the median hourly wage is \$20.23.

Legally, respondents may not pay a person or business for assistance in completing the information collection and a person or business may not accept payment for assisting a respondent in completing the information

collection. Therefore, there are no expected overhead costs for completing the information collection. VBA estimates the total cost to all respondents to be \$80.92 (\$20.23 per hour x 4 hours).

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

This submission does not involve any recordkeeping costs.

14. Provide estimates of annual cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operation 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.

Estimated Annualized Cost to the Federal Government

\$113.50	Loan Guaranty processing cost for 25 cases x 10 minutes x \$27.24 per hour average loan guaranty field salary
<u>\$ 0</u>	Estimated printing cost (\$0, available on internet)
\$113.50	Total estimated cost to the Government.

15. Explain the reason for any burden hour changes since the last submission.

The decrease in burden hours is due to the decrease in volume which is an effect of the continued decline in FHA/VA loans. The expiration date has been added to the form.

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 of information, completion of report, publication dates, and other actions.

Information collection is not for tabulation or publication use.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

Not requesting exemption.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB 83-1.

This submission does not contain any exceptions to the certification statement identified in item 19 "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-1.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

The information collection does not employ statistical methods. If statistical methods are employed, Part B must be completed.