

**Supporting Statement for VA Form 26-6807**  
**Financial Statement**  
**OMB 2900-0047**

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 26-6807 is used for a variety of purposes in the VA home loan program when determinations of applicants' or obligors' creditworthiness are required.

The major use of the form is to determine a borrower's financial condition in connection with efforts to reinstate a seriously defaulted, guaranteed, insured, or portfolio loan.

In addition, the form is used in determining the financial feasibility of a veteran or service member to obtain a home with the assistance of a Specially Adapted Housing Grant under 38 U.S.C., Chapter 21. Also, VA Form 26-6807 may be used to establish eligibility of homeowners for aid under the Homeowners Assistance Program, Public Law 89-754, which provides assistance by reducing losses incident to the disposal of homes when military installations at which the homeowners were employed or serving are ordered closed in whole or in part.

Finally, the form is used in release of liability and substitution of entitlement cases. Under the provisions of 38 U.S.C. 3714, the Department of Veterans Affairs (VA) may release original veteran obligors from personal liability arising from the original guaranty of their home loans, or the making of a direct loan, provided purchasers/assumers meet the necessary requirements, among which is qualifying from a credit standpoint. Substitution of entitlement is authorized by 38 U.S.C. 3702(b)(2) and prospective veteran-assumers must also meet the creditworthiness requirements.

**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.**

The form is completed by respondents (veteran-obligors and prospective assumers) in connection with the types of cases outlined in item 1 and evaluated by Loan Specialists in VA Regional Loan Centers who determine and recommend proper action based on the creditworthiness of the individuals. Without this information, data on income and credit, employment, assets, etc., would have to be individually developed in interview situations and would involve a lengthy process more burdensome to the respondent than the completion of the present form.

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**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 Form 26-6807 is available on the One VA forms website at <http://www.va.gov/vaforms>. The respondent may save this form and then submit a copy of it via e-mail to the VA official that requested the information. The amount of forms submitted annually does not justify the cost of creating and maintaining a system. Therefore, this form cannot be submitted electronically.

**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.**

The information is not contained in any other VA records. The form solicits financial information about prospective assumers and obligors and such information is not available elsewhere.

**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 or entities.

**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 respondents (veteran-obligors and prospective assumers) in connection with release of liability and substitution of entitlement cases. The data furnished on this form is essential for determinations of release of liability and substitution of entitlement cases. The collection is generally conducted only once.

**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 is no special circumstance requiring collection in a manner inconsistent with 5 CFR 1320.6 guidelines.

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**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 March 17, 2017 Volume 82, No. 51, pg. 14278. No comments were received in response to this notice.

**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 this collection of 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, Specially Adapted Housing Applicant Records, and Vendee Loan Applicant Records - VA” (55VA26) contained in the Privacy Act Issuances, 2001 Compilation.

**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.**

There are no questions of a sensitive nature.

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

- a. Number of yearly respondents totals = 3,000.
- b. Frequency of Response is on occasion.
- c. Annual burden total = 2,250 hours.
- d. The estimated response time of 45 minutes is based on informal consultation with staff personnel, including loan specialists, who are familiar with the type of information required by the form.
- e. The respondent population is composed of anyone assuming veterans' guaranteed, insured, and direct home loans. VBA cannot make further assumptions about the

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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 (BLS) gathers information on full-time wage and salary workers. According to the latest available BLS data, the median weekly earnings of full-time wage and salary workers are \$929.20. Assuming a forty (40) hour work week, the median hourly wage is \$23.23 based on the BLS wage code – “00-0000 All Occupations”. This information is taken from the following website: ([http://www.bls.gov/oes/current/oes\\_nat.htm](http://www.bls.gov/oes/current/oes_nat.htm), May 2015).

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 \$45,518 (2,250 burden hours x \$20.23 per hour).

**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 Costs to the Federal Government:

Grade	Step	Burden Time	Hourly Rate	Cost Per Response	Total Responses	Total
10	9	15	\$28.91	\$ 7.22	3,000	\$ 21,667.50
Overhead at 100% Salary						\$ 21,667.50
<b>Overhead costs are 100% of salary and are same as the wage listed above and the amounts are included in the total.</b>						
Processing / Analyzing Costs						\$21,667.50
Printing and Production Cost						\$ 0
Total Cost to Government						\$21,667.50

Note: the hourly wage information above is based on the hourly 2017 General Schedule (Base) Pay ([https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/17Tables/html/GS\\_h.aspx](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/17Tables/html/GS_h.aspx)). This rate does not include any locality adjustment as applicable.

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The processing time estimates above are based on the actual amount of time employees of each grade level spend to process to completion a claim received on this form. The within-grade step (3) of each employee represents the average experience of employees within each grade.

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

Not applicable as the burden has not changed.

**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.**

The information collection is not for publication or tabulation use.

**17. If seeking approval to omit the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

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

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

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

**B. Collection of Information Employing Statistical Methods**

The data collection does not employ statistical methods.