

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

A. JUSTIFICATION

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

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 Department of Veterans Affairs (VA) for issuance of guaranty.

**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.**

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 meet the qualifications for processing loans on an automatic basis.

**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.**

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. 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. Similar 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.**

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. 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.**

This information collection is not a recurring or repetitive report. It is accomplished on a one-time basis per individual 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 at Volume 82, No. 79 on Wednesday, April 26, 2017, page 19314. No public 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 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.**

No sensitive questions appear on this form.

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

Estimate of Information Collection Burden

- a. Number of respondents is estimated at 120 per year.
- b. Frequency of response is generally one-time.
- c. Annual burden is 50 hours (120 respondents X 25 minutes = 50/60 min).
- d. The estimated response time is 25 minutes per response.
- e. The respondent population is composed of anyone assuming veterans' guaranteed, insured, and direct home loans. 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 (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 \$954.40. Assuming a forty (40) hour work week, the median hourly wage is \$23.86 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 2016).

Legally, respondents may not pay a person or business for assistance 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 \$429,480.00 (18,000 burden hours x \$23.86 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 record keeping 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

\$1,488      Loan Guaranty processing cost for FY 2017 (120 cases x 25 minutes = 50 hours x \$29.76 per hour)(Average Rest of US Loan Guaranty Salary GS 10 Step 5).

\$1,488      Total estimated cost to Federal Government (no printing costs involved).

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/pdf/2017/RUS\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/RUS_h.pdf)). This rate does not include any locality adjustment as applicable.

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

There is no change in burden hours.

**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 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.**

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.