SUPPORTING STATEMENT FOR VA FORM 26-8261A REQUEST FOR CERTIFICATE OF VETERAN STATUS (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.

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 <u>http://www.va.gov/vaforms</u>.

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.

Program reviews were conducted to identify potential areas of duplication; however, none were found to exist. There is no known Department or agency which maintains the necessary information, nor is it available from other sources within our Department.

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

Small organizations are generally not involved. VA Form 26-8261a is distributed to holders and information collected is the minimum needed to compute the holder's claim.

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 applicant.

7. There 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 C.F.R. 1320.6.

8. The Department notice was published in the Federal Register on March 6, 2019, volume 84, number 8153, pages 8153-8154 (2 pages). No comments were received.

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

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

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) are contained in the Privacy Act Issuances, 2014.

11. Provide additional justification for any questions of a sensitive nature (Information tha t, 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:

Estimate of Information Collection Burden

- a. Number of respondents is estimated at 25 per year.
- b. Frequency of response is generally one time.

c. Annual burden is 4 hours.

d. The estimated burden of 10 minutes per transaction has been determined by lenders to be an average time spent to report the information requested and no wide variance is likely.

e. The respondent population is composed of Lenders/Appraisers on behalf 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 the mortgage industry loan officers cost 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 \$1,466.80. Assuming a forty (40) hour work week, the mean hourly wage is \$36.67 based on the BLS wage code – "13-2072 Loan Officers. This information was taken from the following website: (https://www.bls.gov/oes/current/oes132072.htm, May 2018).

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 the Federal government an estimated \$146.68 (4 hours x \$36.67 per hour).

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers 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. Estimated Annualized Cost to the Federal Government

There are no printing costs. VA Form 26-8261a can be downloaded from the VA website.

Gr ade	Step	Burden Time	Fraction of Hour	Hourly Rate	Cost Per Response	Total Responses	Total
11	6	4	1.00	\$34.79	\$34.79	25	\$ 139.16
Overhead at 100% Salary							\$ 139.16
12	6	2	0.50	\$41.70	\$20.85	25	\$ 41.70
Overhead at 100% Salary							\$ 41.70
13	6	1	0.25	\$49.59	\$12.40	25	\$ 12.40
Overhead at 100% Salary							\$ 12.40
Processing / Analyzing Costs							\$ 193.26
Printing and Production Cost							\$ 0.00
Total Cost to Government							\$ 193.26

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

There is no change in burden hours or respondent time.

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.

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.

There is no exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-1.

B. <u>COLLECTION OF INFORMATION EMPLOYING STATISTICAL</u> <u>METHODS</u>

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