SUPPORTING STATEMENT

STATUS OF LOAN ACCOUNT – FORECLOSURE OR OTHER LIQUIDATION

OMB (2900-0851)

VA FORM 26-0971

**A. Justification**

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

The holder of a Vendee account which has been guaranteed by the Department of Veterans Affairs (VA) may request VA to repurchase a loan as provided in 38 CFR Book H: Part 36.42 – 36.44. This form is needed in the event the VALERI application is not available.

 **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.**

Under 38 CFR 36, the holder of a delinquent vendee account is legally entitled to repurchase the loan by VA when the loan has been continuously in default for 3 months and the amount of the delinquency equals or exceeds the sum of 2 monthly installments. When requesting the repurchase of a loan, the holder uses VA Form 26-0971.

 **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.**

Use of improved information technology in gathering this information has been employed in VA’s Loan Electronic Reporting Interface (VALERI) 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.**

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 26-0971 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. 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 February 12, 2020, Volume 85, Number 29, page 8097. No comments were received.

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

No payment 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)are contained in the Privacy Act Issuances, 2014.

 **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.**

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

Estimate of Information Collection Burden

 a. Number of respondents is estimated at 20.

 b. Frequency of response is generally one-time.

 c. Annual burden is 10 hours.

 d. The estimated response time is 30 minutes.

 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 $999.20.  Assuming a forty (40) hour work week, the mean hourly wage is $24.98 based on the BLS wage code – “00-0000 All Occupations. This information was taken from the following website: (<https://www.bls.gov/oes/current/oes_nat.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 all respondents to be $249.80 ($24.98 per hour x 10 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

<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2020/RUS_h.pdf>

(Note: 2020 Cost Salaries)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  **Grade** | Step | Burden Time | Fraction of Hour | Hourly Rate | Cost Per Response | Total Responses | Total |
| **11** | 6 | 10  | 1.00 | $35.78  | $35.78 | 20  | $   357.80 |
| **Overhead at 100% Salary** | $   357.80 |
| **12** | 6 | 5 | 0.50 | $42.89  | $21.45 |  20     |  $  214.45 |
| **Overhead at 100% Salary** | $   214.45 |
| **13** | 6 | 2.5 | 0.25 | $51.00  | $12.75 |  20  | $   127.50 |
| **Overhead at 100% Salary** | $   127.50 |
|  |   |
| **Processing / Analyzing Costs** | $   699.75  |
| **Printing and Production Cost** | $       0.00  |
| **Total Cost to Government** | $   699.75 |

 **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.**

Information collection is not for publication purposes.

 **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.**

The expiration date placeholder is on the form.

 **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.