

**SUPPORTING STATEMENT
LENDER'S STAFF APPRAISAL REVIEWER (SAR) APPLICATION
OMB 2900-0658
VA FORM 26-0785**

A. JUSTIFICATION

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

Title 38 U.S.C. 3702(d) authorizes the Department of Veterans Affairs (VA) to establish standards for lenders making automatically guaranteed loans and 38 U.S.C. 3731(f) authorizes VA to establish, in regulation, standards and procedures to authorize a lender to determine the reasonable value of property. VA has implemented this authority through its Lender Appraisal Processing Program (LAPP), codified in 38 CFR 36.4347. This information collection specifically relates to paragraph (a) of § 36.4347, which outlines requirements and procedures for lenders seeking approval to perform the functions under LAPP.

VA utilizes a standardized form, VA Form 26-0785 (fillable printable), to collect information consistent with 38 CFR 36.4347(a). In addition to the form, lenders must submit supporting documentation to verify the qualifications of a Staff Appraisal Reviewer (SAR). These documentation requirements are outlined on VA Form 26-0785 and authorized under § 36.4347(a)(2).

VA notes that the control number assigned to this information collection has been in place since 2005. Prior to such date, VA previously collected this information under OMB control number 2900-0513, which is listed under 38 CFR 36.4347. OMB control number 2900-0513 expired in 1996. VA provides this history to note that, at this time, it is VA's intention and understanding that OMB control number 2900-0658, and the information covered by this collection, supersedes expired OMB control number 2900-0513. VA is working to update the regulation to reflect the correct OMB control number.

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 data supplied by persons and firms completing VA Form 26-0785 and providing supporting documentation are used by VA to determine an individual's status as a VA-approved Staff Appraisal Reviewer (SAR). Lender SARs, once approved, are delegated the authority to review real estate appraisals and to issue Notices of Value (NOVs) on behalf of VA. These NOVs establish the reasonable value to be used in determining the maximum amount of a VA loan guaranty. The granting of this authority has direct impact on program integrity and the financial interests of VA, the veterans VA serves, and the United States Government.

Once approved, a SAR retains their original SAR Identification Number whenever changing employment. Whenever a SAR changes employment, they and their new employer must make the certifications on this form to VA as a way for VA to track where a SAR is employed and for what lender they are performing. This is a critical factor in VA's program oversight.

- 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.**

This form is available on the VA Forms website in a fillable electronic format. Automated collection of the data by improved information technology is currently limited by the wide variations in lender's systems. Lenders complete the form and attach supporting documentation (outlined on the form) and submit to VA for approval via U.S. mail.

- 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 duplication of information involved to the extent that individuals within a company that serve as a SAR under both VA's LAPP and Servicer Appraisal Processing Program (SAPP) programs are required to complete VA form 26-0829 and VA form 26-0785, which are identical. To the extent that this duplication of information creates a significant public burden, VA notes that SAPP participation is extremely low (approximately 20 SAPP SAR applications received annually). Further, VA is currently exploring ways to amend and combine the LAPP and SAPP information collection requirements, including forms, to minimize public burden.

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

The respondent population is composed of employees of lenders making application, and by lenders to nominate employees, to be approved as a VA-approved Staff Appraisal Reviewer (SAR). 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.**

This information collection is not a recurring or repetitive report. The collection is generally conducted once per individual applicant. A SAR retains their original SAR Identification Number whenever changing employment. Whenever a SAR changes employment, they and their new employer must make the certifications on this form to VA as a way for VA to track where a

SAR is employed and for what lender they are performing. This is a critical factor in VA's program oversight.

- 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 the 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 17, 2021, Volume 86, No. 30, pages 10005-10006.

- 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 Fee Personnel and Program Participant Records-VA - VA" (17VA26/78 FR 71727) contained in the Privacy Act Issuances, 2013 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 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 2,400 per year.
- b. Frequency of response is generally on occasion.
- c. Annual burden is estimated at 200 hours.
- d. The estimated response time of 5 minutes has been determined to be an average time spent to report the information requested and no wide variance is likely.
- e. The respondent population for VA Form 26-0785 is composed of employees of lenders making application, and by lenders to nominate employees to be approved as a VA Staff Appraisal Reviewer (SAR). composed of persons and employees of lenders making an application, and by lenders to nominate employees, to be approved as a VA-approved Staff Appraisal Reviewer (SAR). VA 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 \$1,465.60. Assuming a forty (40) hour work week, the mean hourly wage is \$36.64 based on the BLS wage code – “13-2072 Loan Officers.” This information was taken from the following website:
https://www.bls.gov/oes/current/oes_nat.htm).

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 \$7,328.00 (200 burden hours x \$36.64 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 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	Hourly Rate	Cost Per Response	Total Responses	Total
13	7	5 minutes	\$52.46	\$13.12 (.25x52.46)	2,400	\$ 31,488
Overhead at 100% Salary						\$ 31,488
Overhead costs are 100% of salary and are the same as the wage listed above and the amounts are included in the total.						
Processing / Analyzing Costs						\$0
Printing and Production Cost						\$0
Total Cost to Government						31,488

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-I.

B. Collection of Information Employing Statistical Methods

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