

SUPPORTING STATEMENT FOR VA FORM 26-1880
REQUEST FOR A CERTIFICATE OF ELIGIBILITY
FOR VA HOME LOAN BENEFITS
(2900-0086)

A. JUSTIFICATION

1. VA Form 26-1880 is used by VA to determine an applicant's eligibility for Loan Guaranty benefits, and the amount of entitlement available. Each completed form is normally accompanied by proof of military service and is submitted by the applicant to the appropriate VA office. If eligible, VA will issue the applicant a Certificate of Eligibility (COE) to be used in applying for Loan Guaranty benefits.

This form is also used in restoration of entitlement cases. Generally, if an applicant has used all or part of his or her entitlement, it may be restored if (1) the property has been sold and the loan has been paid in full or (2) a qualified veteran-transferee agrees to assume the balance on the loan and agrees to substitute his or her entitlement for the same amount of entitlement originally used by the applicant to get the loan. The buyer must also meet the occupancy and income and credit requirements of the law. Restoration is not automatic; an applicant must apply for it by completing VA Form 26-1880.

The Secretary is required by 38 U.S.C. 3702 (a), (b), and (c) to determine the applicant's eligibility for Loan Guaranty benefits, compute the amount of entitlement, and document the certificate with the amount and type of guaranty used and the amount, if any, remaining.

2. The form is completed by mainly Veterans to establish eligibility for Loan Guaranty benefits, request restoration of entitlement previously used, or request a duplicate COE due to the original being lost or stolen. The information furnished on VA Form 26-1880 is necessary for VA to make a determination on whether or not the applicant is eligible for Loan Guaranty benefits.

3. We have continued to enhance an information technology solution for the eligibility process. Veterans can obtain a COE online through the eBenefits application. Our enhancements permit an application to be made electronically in those instances where the COE cannot be issued immediately. Applicants can apply for a COE online, or complete a VA Form 26-1880. There may be limited instances due to missing data or other issues that a lender or veteran cannot obtain a COE online and must complete the hardcopy form. Presently, it's not mandatory that applicants use the electronic features and thus they can still complete VA Form 26-1880 to request a COE.

4. 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. Small organizations are generally not involved.

6. This information collection is not a recurring or repetitive report. It is accomplished on a one-time basis per applicant.

7. 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. The Department notice was published in the Federal Register on March 25, 2019, volume 84, number 57, pages 11167-11168. No comments were received.

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

10. VA will not disclose information collected on this form to any source other than what has been authorized under the Privacy Act of 1974 or Title 38, Code of Federal Regulations 1.576 for routine uses identified in the VA system of records, 55VA26, Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records, and Vendee Loan Applicants Records – VA, and published in the Federal Register.

11. 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 321,000.

b. Frequency of response is generally one-time per loan.

c. Annual burden is 80,250 hours.

d. The estimated burden of 15 minutes per transaction has been determined by lenders to be an average time spent to collect the information and no wide variance is likely.

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 (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 \$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 the Federal government an estimated \$2,004,645 (80,250 hours x \$24.98 per hour).

13. This submission does not involve any recordkeeping costs.

14. Estimated Annualized Cost to the Federal Government

Grade	Step	Burden Time	Fraction of Hour	Hourly Rate	Cost Per Response	Total Responses	Total
11	5	.15	.25	\$28.82	7.21	321,000	\$ 2,314,410
Overhead at 100% Salary							\$ 2,314,410
0	0	0	0	0	0	0	0
Overhead at 100% Salary							
Printing and Production Cost							\$ 0
Total Cost to Government							\$ 2,314,410

Note: The hourly wage information above is based on the hourly 2019 General Schedule (Base) Pay (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/GS_h.pdf). This rate does not include any locality adjustment as applicable.

The processing time estimates above are based on the actual amount of time employees of that grade level spend to process to completion a claim received on this form.

There are no printing costs. VA Form 26-1880 can be downloaded from the VA website.

15. There is no change in burden hours or respondent time.

16. Information collection is not for tabulation or publication use.

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

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

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

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