

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

A. JUSTIFICATION

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

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 electronically or to the appropriate VA office. Lenders may also submit an application on an applicant's behalf. If eligible, VA will issue the applicant a Certificate of Eligibility (COE) to be used in applying for Loan Guaranty benefits. VA Form 26-1880 has been updated to reflect the expansion of the definition of a Veteran for purposes of the VA home loan benefit 38 U.S.C. § 3701(b) and 3702(a).

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 which secured the loan has been disposed of by the veteran or has been destroyed by fire or other natural hazard; and the loan has been paid in full, or the Secretary has been released from liability as to the loan, or if the Secretary has suffered a loss on such loan, the loss has been paid in full; (2) a veteran-transferee has agreed to assume the outstanding balance on the loan and consented to the use of his or her entitlement, to the extent that the entitlement of the veteran-transferor had been used originally, in place of the veteran-transferor's for the guaranteed, insured, or direct loan, and the veteran-transferee otherwise meets the requirements of 38 U.S.C. chapter 37; (3) the loan has been repaid in full and the loan for which the veteran seeks to use entitlement under 38 U.S.C. chapter 37 is secured by the same property which secured the original loan; or (4) the loan has been repaid in full and, if the Secretary has suffered a loss on the loan, the loss has been paid in full or the Secretary has been released from liability as to the loan and, if the Secretary has suffered a loss on the loan, the loss has been paid in full. 38 U.S.C. 3702(b). 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.

The form has been updated to reflect a collection of information to waive the VA loan fee for active-duty service members with a pre-discharge disability rating or Purple Heart 38 U.S.C. Code 3729.

**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 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. 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 continues to enhance information technology systems for the eligibility process. Veterans can apply for a determination of eligibility and provide any necessary supporting documentation online through the VA.gov electronic platform. Lenders are also able to submit the form, and any supporting documentation, online through a separate electronic system. Our enhancements permit an application to be made electronically and in many instances, decisions are made automatically by VA systems. Automation significantly reduces the burden associated with entry. 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. 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.**

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. 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 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 June 22, 2022, volume 87, number 119, page 37376. 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.**

Privacy to the extent permitted by law is covered by VA System of Records Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records Specially Adapted Housing Applicants Records, and Vendee Loan Applicant Records – VA (55VA26) are contained in the Privacy Act Issuances, 2014 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

Description of Information Collection	Frequency of Response	Total Annual Responses	Hours per Response	Annual Burden Hours	Hourly Cost	Total Annual Cost
Automated Certificate of Eligibility Requested Electronically by Lender or Veteran and Automatically Issued	1	1,400,000	0.008 (30 seconds)	11,667	\$38.74	\$451,980
VA Form 26-1880 or Electronic Application by Lender or Veteran	1	525,000	15 min .25	131,250	\$28.01	\$3,676,313
<b>Total</b>		<b>1,925,000</b>		<b>142,917</b>		<b>\$4,128,293</b>

- a. Number of respondents is estimated at 1,925,000.
- b. Frequency of response is generally one-time per loan.
- c. Annual burden is 142,917 hours.
- d. The estimated burden of 30 seconds for automated entries and 15 minutes per full application has been determined by lenders to be an average time spent to collect the information and no wide variance is likely. The weighted average is 0.07 hours or 4.75 minutes.
- e. The respondent population is composed of Veterans and lenders. 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 Veteran respondents. Therefore, VBA used general wage data to estimate the Veteran respondents' costs associated with completing the information collection. VBA used the mortgage industry loan officers cost to estimate the Lender 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 \$1,549.60. Assuming a forty (40) hour work week, the mean hourly wage is \$38.74 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 2021).

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 \$1,120.40. Assuming a forty (40) hour work week, the mean hourly wage is \$28.01 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#00-0000](https://www.bls.gov/oes/current/oes_nat.htm#00-0000) May 2021).

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.

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**

Grade	Step	Burden Time	Fraction of Hour	Hourly Rate	Cost Per Response	Total Responses	Total
11	6	.15	.25	\$37.01-	\$9.25	525,000	\$ 4,856,250
Overhead at 100% Salary							\$ 4,856,250-
0	0	0	0	0	0	0	0
Overhead at 100% Salary							
Printing and Production Cost							\$ 0
Total Cost to Government							\$ 4,856,250

Note: The hourly wage information above is based on the hourly 2022 General Schedule (Base) Pay ([https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/RUS\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/RUS_h.pdf)).

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

The burden hour has increased commensurate with the increase in applications received by VA. VA has also accounted for automatic determinations requested and obtained electronically by lenders and Veterans.

**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**

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