

SUPPORTING STATEMENT FOR VA FORM 26-8736a
NONSUPERVISED LENDER'S NOMINATION AND RECOMMENDATION
OF CREDIT UNDERWRITER
(2900-0253)

A. JUSTIFICATION

1. Title 38, U.S. Code, Section 3702(d) (exhibit A) provides for lenders to make automatic guaranteed loans if approved for such purpose and if the loans are made pursuant to the standards established by the Secretary of Veterans Affairs. The standards established by the Secretary require that a lender have a qualified underwriter review all loans to be closed on an automatic basis to determine that the loan meets VA's credit underwriting standards. To determine if the lender's nominee is qualified to make such a determination, VA has developed VA Form 26-8736a which contains information that VA considers crucial to the evaluation of the underwriter's experience. This form will be completed by the lender and the lender's nominee for underwriter and then submitted to VA for approval.

2. VA Form 26-8736a will be submitted to VA by a non-supervised lender with the initial application for authority to close loans on the automatic basis or in connection with nominations of additional or new credit underwriters subsequent to approval. VA field personnel will review the form and notify the lender as to whether their nominee for underwriter is approved or disapproved.

3. VA Form 26-8736a is available on the One-VA website in a fillable electronic format. VBA is currently hosting this form on a secure server. An electronic submission system is not advantageous to the government as the number of estimated respondents does not justify the cost of creating and maintain such a system.

4. No duplication of information is involved. We know of no central data bank containing personal information on an individual's credit underwriting qualifications which would be updated routinely to reflect accumulated experience.

Small organizations are involved and VA developed the VA Form 26-8736a to help minimize their burden. The use of this form enables underwriters to summarize their relevant VA experience.

5. Collection of data occurs generally only once per respondent at the time a non-supervised lender applies for authority to close loans on the automatic basis or for new or additional underwriters subsequent to approval.

6. There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.

7. The Department notice was published in the Federal Register on July 31, 2013, Vol. 78, No. 147 at page 46417. No comments were received in response to this notice.
8. Decisions to provide any payment or gift to respondents does not apply.
9. 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, 2001 Compliance.
11. No sensitive questions appear on the form.
12. Estimate of Information Collection Burden
 - a. Number of respondents is estimated at 1,500 per year.
 - b. Frequency of response is on occasion.
 - c. Annual burden is 500 hours.
 - d. The estimated response time of 20 minutes is based on trial use with Loan Guaranty staff.
 - e. According to the U.S. Bureau of Labor Statistics Average Hourly Earnings, the cost to the respondent is \$24, making the total cost to the respondents an estimated \$12,000.00, (500 hours x \$24 per hour).
13. This submission does not involve any recordkeeping costs.
14. Estimated Annualized Cost to the Federal Government

Estimated Loan Guaranty Processing Cost for FY 2013 for both Field Station and Central Office	
\$6,810.00	(Field Station – 750 cases x 20 minutes x \$27.24 per hour, (average Loan Guaranty field salary))
\$10,665.00	(Central Office – 750 cases x 20 minutes x \$42.66 per hour, (average Central Office salary))
\$ 17,475.00	Total estimated cost to Federal Government
15. There is a decrease in burden hours. In discussions with both Field Station and Central Office staff, it was determined that submission of VA Form 26-

8736a has decreased due to changing market conditions in the mortgage industry. The expiration date placeholder has been added to the form.

16. Information collection is not for publication purposes.
17. We are not seeking approval to omit the expiration date for OMB approval.
18. This submission does not contain any exceptions to the certification statement.

B. STATISTICAL METHODS

1. This collection of information does not employ statistical methods.