

burden of the proposed collection of information; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or the use of other forms of information technology.

Authority: 38 U.S.C. 3690(c); 38 CFR 21.4263(h)(3).

Title: Record Keeping at Flight Schools.

OMB Control Number: 2900-0613.

Type of Review: Reinstatement of a previously approved collection.

Abstract: The State approving agencies that approve courses for VA training use these records to determine if courses offered by flight schools should be approved. VA representatives use the records to determine the accuracy of payments made to VA students at flight schools.

Affected Public: Businesses or other for Profit or Not for Profit Schools.

Estimated Annual Burden: 557 hours.

Estimated Average Burden per Respondent: 20 minutes.

Frequency of Response: Annual.

Estimated Number of Respondents: 1,672.

By direction of the Secretary.

Maribel Aponte,

VA PRA Clearance Officer, Office of Enterprise and Integration/Data Governance Analytics, Department of Veterans Affairs.

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BILLING CODE 8320-01-P

DEPARTMENT OF VETERANS AFFAIRS

Loan Guaranty: Maximum Allowable Fees for Legal Services

AGENCY: Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: This notice provides updated information to participants in the Department of Veterans Affairs (VA) Home Loan Guaranty program concerning the maximum allowable fees for legal services performed in connection with the foreclosure of single-family housing loans. This notice also provides updated information concerning the legal fees for bankruptcy-related services. The table in this notice contains the amounts the Secretary has determined to be reasonable and customary in all states, following an annual review of the

amounts allowed by other Government-related home loan programs.

DATES: The new maximum allowable fees for legal services will be allowed for all guaranty claims submitted to VA on or after December 8, 2021.

FOR FURTHER INFORMATION CONTACT: Mr. Andrew Trevayne, Assistant Director for Loan and Property Management, Loan Guaranty Service (261), Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue NW, Washington, DC 20420, (202) 632-8795. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: The VA Home Loan Guaranty program authorized by title 38, United States Code, chapter 37, offers a partial guaranty against loss to lenders who make home loans to Veterans. VA regulations concerning the payment of loan guaranty claims are set forth at 38 CFR 36.4300, *et seq.* Computation of guaranty claims is addressed in 38 CFR 36.4324, which states that one part of the indebtedness upon which the guaranty percentage is applied is the “[a]llowable expenses/advances as described in [38 CFR 36.4314].” 38 CFR 36.4324(a)(2). Section 36.4314(b)(5)(ii) describes the procedures to be followed in determining what constitutes the reasonable and customary fees for legal services performed in connection with the foreclosure of single-family housing loans.

Pursuant to § 36.4314(b)(5)(ii), the Secretary is required to annually review allowances for legal fees in connection with the foreclosure of single-family housing loans, including bankruptcy-related services, issued by the Department of Housing and Urban Development (HUD), the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac). In March 2021, Fannie Mae issued revisions to their allowances for legal fees. Fannie Mae, *Allowable Foreclosure Attorney Fees Exhibit*, Servicing Guide (March 10, 2021), <https://servicing-guide.fanniemae.com>. The following month, HUD announced its plans to adopt Fannie Mae’s fee structure by August. HUD, *National Servicing Center Single Family Housing Policy Handbook 4000.1 Section III: Servicing and Loss Mitigation Key Changes* (April 22, 2021), https://www.hud.gov/sites/dfiles/SFH/documents/sfh_hb_4000_1_sect_3_serv_loss_mit_04_22_21.pdf. Freddie Mac has also announced new allowances for legal fees, effective September 27, 2021. Freddie Mac, *Approved Attorney Fees*

and Title Expenses, Seller/Servicer Guide Exhibit 57A (September 27, 2021), <https://guide.freddiemac.com/app/guide/exhibitRev/57A,09-27-2021>.

VA has reviewed and considered the legal fees allowed by each entity. Based on increases in fees for legal services announced by these Government-related home loan programs, the Secretary is publishing in the **Federal Register** a table setting forth the revised amounts the Secretary has determined to be reasonable and customary. The table reflects the primary method for foreclosing in each state, either judicial or non-judicial, with the exception of those states where either judicial or non-judicial is acceptable. The use of a method not authorized in the table will require prior approval from VA. This table will be available throughout the year at: https://www.benefits.va.gov/HOMELOANS/servicers_valeri_rules.asp.

There has been no change to the amounts VA will allow for bankruptcy filing fees. However, VA is clarifying that VA allows for a bankruptcy filing fee regardless of whether a bankruptcy release is obtained. VA notes that its current regulation at 38 CFR 36.4314(b)(5)(i) authorizes “[f]ees for legal services actually performed.” Regardless of whether a bankruptcy filing results in a release, legal services may have been performed in addressing the filing. Allowing fees for a bankruptcy filing is also consistent with the other Government-related home loan programs. See HUD, *National Servicing Center Single Family Housing Policy Handbook 4000.1 Section III: Servicing and Loss Mitigation Key Changes* (April 22, 2021), https://www.hud.gov/sites/dfiles/SFH/documents/sfh_hb_4000_1_sect_3_serv_loss_mit_04_22_21.pdf; Fannie Mae, *Allowable Bankruptcy Attorney Fees Exhibit*, Servicing Guide (September 11, 2019), <https://servicing-guide.fanniemae.com>; Freddie Mac, *Approved Attorney Fees and Title Expenses*, Seller/Servicer Guide Exhibit 57A (September 27, 2021), <https://guide.freddiemac.com/app/guide/exhibitRev/57A,09-27-2021>. VA will continue to monitor fees for legal services on an annual basis and publish updates in the **Federal Register** as VA deems necessary.

The following table reflects the Secretary’s determination of the reasonable and customary fees for legal services for the primary method for foreclosing in each state.

Jurisdiction	VA non-judicial foreclosure ^{1 2}	VA judicial foreclosure ^{1 2}	Deed-in-lieu of foreclosure
Alabama	\$1,700	N/A	\$400
Alaska	2,000	N/A	400
American Samoa	1,600	N/A	400
Arizona	1,700	N/A	400
Arkansas	1,700	N/A	400
California	1,700	N/A	400
Colorado	2,100	N/A	400
Connecticut	N/A	3,100	400
Delaware	N/A	2,250	400
District of Columbia	1,500	2,875	400
Florida	N/A	4,100	400
Georgia	1,700	N/A	400
Guam	2,000	N/A	400
Hawaii	N/A	4,500	400
Idaho	1,450	N/A	400
Illinois	N/A	3,000	400
Indiana	N/A	3,000	400
Iowa	1,275	2,450	400
Kansas	N/A	2,400	400
Kentucky	N/A	3,000	400
Louisiana	N/A	2,500	400
Maine	N/A	3,250	400
Maryland	3,000	N/A	400
Massachusetts	N/A	3,400	400
Michigan	1,900	N/A	400
Minnesota	1,775	N/A	400
Mississippi	1,500	N/A	400
Missouri	1,700	N/A	400
Montana	1,700	N/A	400
Nebraska	1,400	N/A	400
Nevada	2,000	N/A	400
New Hampshire	1,700	N/A	400
New Jersey	N/A	4,350	400
New Mexico	N/A	4,000	400
New York—Western Counties ³	N/A	4,200	400
New York—Eastern Counties	N/A	5,225	400
North Carolina	2,175	N/A	400
North Dakota	N/A	2,200	400
Ohio	N/A	3,000	400
Oklahoma	N/A	2,700	400
Oregon	1,700	3,700	400
Pennsylvania	N/A	3,125	400
Puerto Rico	N/A	2,700	400
Rhode Island	2,250	N/A	400
South Carolina	N/A	2,850	400
South Dakota	N/A	2,250	400
Tennessee	1,500	N/A	400
Texas	1,700	N/A	400
Utah	1,700	N/A	400
Vermont	N/A	3,200	400
Virgin Islands	N/A	2,500	400
Virginia	1,700	N/A	400
Washington	1,700	N/A	400
West Virginia	1,450	N/A	400
Wisconsin	N/A	2,500	400
Wyoming	1,450	N/A	400

¹ When a foreclosure is stopped due to circumstances beyond the control of the holder or its attorney (including, but not limited to bankruptcy, VA-requested delay, property damage, hazardous conditions, condemnation, natural disaster, property seizure or relief under the Servicemembers Civil Relief Act) and then restarted, VA will allow a \$400 restart fee in addition to the base foreclosure attorney fee. This fee recognizes the additional work required to resume the foreclosure action, while also accounting for the expectation that some work from the previous action may be utilized in starting the new action.

² VA will allow attorney fees of \$1,050 (chapter 7) or \$1,500 (initial chapter 13) for an initial bankruptcy filing, regardless of whether a bankruptcy release is obtained. For multiple bankruptcy filings under either chapter, VA will allow an additional \$500.

³ Western Counties of New York for VA are: Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Steuben, Wayne, Wyoming and Yates. The remaining counties are in Eastern New York.

Signing Authority

Denis McDonough, Secretary of Veterans Affairs, approved this document on November 1, 2021 and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs.

Luvenia Potts,

Regulation Development Coordinator, Office of Regulation Policy & Management, Office of General Counsel, Department of Veterans Affairs.

[FR Doc. 2021-24330 Filed 11-5-21; 8:45 am]

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DEPARTMENT OF VETERANS AFFAIRS**Privacy Act of 1974; System of Records**

AGENCY: Department of Veterans Affairs (VA), Veterans Benefits Administration.

ACTION: Notice of a modified system of records.

SUMMARY: As required by the Privacy Act of 1974, notice is hereby given that the Department of Veterans Affairs (VA) proposes to modify an existing system of records, "Compensation, Pension, Education, and Vocational Rehabilitation and Employment Records—VA" (58VA21/22/28).

DATES: Comments on this modified system of records must be received no later than 30 days after date of publication in the **Federal Register**. If no public comment is received during the period allowed for comment or unless otherwise published in the **Federal Register** by VA, the modified system of records will become effective a minimum of 30 days after date of publication in the **Federal Register**. If VA receives public comments, VA shall review the comments to determine whether any changes to the notice are necessary.

ADDRESSES: Comments may be submitted through www.Regulations.gov or mailed to VA Privacy Service, 810 Vermont Avenue NW, (005R1A), Washington, DC 20420. Comments should indicate that they are submitted in response to "Compensation, Pension, Education, and Vocational Rehabilitation and Employment Records—VA" (58VA21/22/28). Comments received will be available at regulations.gov for public viewing, inspection or copies.

FOR FURTHER INFORMATION CONTACT:

Michael F. Palmer, Michael.Palmer5@va.gov, Senior Program Analyst, Chief

Production Office, Department of Veterans Affairs, 810 Vermont Avenue NW, Washington, DC 20420 (336) 251-0392.

SUPPLEMENTARY INFORMATION: This system of records contains information regarding applicants for and beneficiaries of benefits chiefly administered by the Veterans Benefits Administration (VBA). This system is a core system for VBA programs. This system of records does not directly address health or memorial benefits administered respectively by the Veterans Health Administration or the National Cemetery Administration, the other two of the three Administrations within VA. This system was first published on March 3, 1976, and last amended on February 14, 2019, to reaffirm the establishment of the Veterans Benefits Management System (VBMS) eFolder as the *official record* for Veterans claims processing, management, adjudication, and appeals, propose the plan to properly dispose of paper duplicate copies and other physical media after imaging and upload into the eFolder, and to begin using the eFolder as an integrated benefits repository for records related to VA Insurance and Loan Guarantee benefits.

VA is proposing to update this SORN to include the addition of two new applications that will be used by Vocational Rehabilitation and Employment (VR&E) counselors and/or Veteran participants: The Electronic Virtual Assistant (e-VA) and the Case Management Solution (CMS). e-VA is an active, artificial intelligence-enabled application that alleviates the burden of compliance, data entry, communications, documentation, and repetitive tasks in order to empower VR&E resources to focus their time on Veteran participants' needs, fulfilling the organization's mission of guiding clients to successful outcomes. e-VA's web-based capabilities allow for bi-directional automated and on-demand text and email communication between VA's VR&E counselors and Veterans who are seeking to use or are actively enrolled in VR&E programs. It provides program participants with the ability to submit documentation such as training certificates, training receipts, or employment verification documents using their mobile devices. It will also enable system-generated, interactive appointment scheduling, rescheduling and cancellation, plus keep Veterans updated by providing announcements and broadcast messages.

CMS is a Software as a Service application that will be used to

automate the application process for VR&E, assign and transfer claimant files between VR&E counselors and stations, communicate with claimants, manage and record awards and payments to claimants, provide metrics on VR&E services, and ensure appropriate access controls are enabled for the system. CMS's web-based capabilities allow for bi-directional, automated, and on-demand integration between CMS and numerous VA systems, improving the automation, consistency and efficiency of VR&E counselors' work with claimants. It will also enable interaction with the e-VA system to ensure the value of both technologies is available to the VR&E counselors.

VA is also adding fiduciary records to this system as part of the retirement of legacy Beneficiary Fiduciary Field System (BFFS) that was covered under "Supervised Fiduciary/Beneficiary and General Investigative Records—VA" (37VA27). With the sunset of the BFFS system, Fiduciary records will be managed and stored in VBMS, which will serve as the primary application for the delivery of Fiduciary benefits to VA beneficiaries. In addition to the name, mailing address, Social Security number, medical record information, and financial information specific to VA Beneficiaries, VBMS will also store information on individuals/organizations serving as fiduciaries. This will include the name, mailing address, Social Security or tax identification number, and credit and criminal histories of individuals/organizations who are currently VA-appointed fiduciaries, who previously served as VA-appointed fiduciaries, or who were considered for service as VA-appointed fiduciaries. The purpose of maintaining these records is to qualify the individual/organization for service as a fiduciary and provide oversight of fiduciary activities. As such, additional Categories of Individuals, Categories of Records, Routine Uses, and other information specific to the VA Fiduciary program are being added to this system.

VA is also proposing to add the Filipino Loyalty File as a type of record stored in this system. The Filipino Loyalty File is a group of records relating generally to the loyalty of Filipino nationals during the Japanese occupation of the Philippine Islands during World War II (WWII). Most of the records were created or collected by Army investigative or intelligence units after the War and are used to help determine eligibility for VA benefits for Filipino nationals who served on behalf of the American cause during the War.

Additionally, VA is updating the name of the Virtual VA system to