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OMB Accelerates Effort to Open Federal Regulatory Process to Citizens and Small Businesses
E-government initiative removes barriers to public comment; leads to higher quality rules

WASHINGTON -- Office of Management and Budget (OMB) Director Mitchell E. Daniels, Jr. moved to make the government's regulatory process more open to the public. Daniels sent a memorandum advising federal agency heads that fragmented efforts will be consolidated as part of President Bush's On-Line Rulemaking Initiative. A copy of the memorandum follows this release.

"Millions of Americans want to easily find and comment on proposed regulation. This action means that, by the end of this year, the public will no longer need to navigate through a sea of agency Web sites to comment on regulations that will impact their lives," said OMB Associate Director for Information Technology and E-Government Mark Forman.

In recent years, there has been a dramatic shift in public use of the Internet for government accountability. The Pew Foundation reports that 42 million Americans viewed federal regulations through the Internet in 2001, with 23 million commenting on proposed rules, regulations, and policies. According to the National Archives, the public retrieved more than 65 million documents from the on-line Federal Register in 2001.

Developing and maintaining redundant rulemaking Web sites across the government is expensive -- costing more than \$70 million over the next 18 months. Individuals must know the agency responsible for developing a regulation in order to view the relevant materials on-line, and citizens generally must comment in writing.

The Online Rulemaking initiative will transform the current rulemaking process by:

- Creating an easy-to-use, government-wide, on-line portal to find and comment on proposed rules.
- Building a unified, cost-effective "back room" regulatory management system to ensure efficiency, economies of scale, quality and consistency for federal rulemaking processes.

The On-line Rulemaking Initiative is one of the President's 24 E-Government Initiatives to make the government more citizen-centered and results-oriented. The proposed Web site will be on-line by December 31, 2002.

-- memo follows (2 pages) --

May 3, 2002

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Mitchell E. Daniels, Jr.
Director

SUBJECT: Redundant Information Systems Relating to On-Line Rulemaking Initiative

One of the key goals of the President's E-Government initiative is to make it easy for citizens to get service from their government. At the top of the list must be making it easier for citizens and businesses to participate in the regulatory process. Accordingly, the On-Line Rulemaking Management E-Government initiative (OLRM) is focused on creating a simple web-based tool for viewing and commenting on proposed regulations. The potential benefit to citizens and businesses in this area is dramatic. A recent E-Government survey by the Pew Foundation shows that 23 million Americans use the Internet to comment on proposed government rules, regulations, and policies in 2001.

The purpose of this memorandum is to advise agency heads of our intention to consolidate redundant IT systems relating to the President's on-line rulemaking initiative. Redundant systems make it difficult to find and comment on the large number of proposed regulations and create performance gaps in the form of reduced customer service and lead to duplicative spending. Consolidating technology investments will better serve citizens by decreasing existing islands of automation and minimizing government costs.

Pursuant to Section 5113 of the Clinger-Cohen Act of 1996, OMB is required to evaluate information resources management practices of the executive agencies with respect to the performance and results of information technology investments. OMB has already identified several potentially redundant systems across the federal government that relate to the rulemaking process. In some cases, these systems may have purposes other than regulatory development; this initiative focuses on the regulatory development process. Spending on these systems totals nearly \$28 million in 2002 and is projected to grow to more than \$32 million in 2003. A list of such systems includes but is not limited to the following:

<u>Agency</u>	<u>System</u>	<u>FY '02</u>	<u>FY '03</u>
DOT	Docket Management System	--	--
DOL/OSHA	Technical Information and Retrieval System	\$1.2 million	\$1.3 million
DOD	Electronic Rulemaking Management System	--	--
EPA	Regulatory Public Access System	\$2.9 million	\$2.9 million

GSA/OMB	RISC/OIRA Consolidated Information System	\$2.0 million	\$2.0 million
HHS/FDA-CBER	Electronic Document Room	\$1.73 million	\$7.2 million
HHS/FDA-CFSAN	Food Additive Regulatory Management System	\$1.7 million	\$1.45 million
HHS/FDA	Agency Information Management System	\$2.28 million	\$1.59 million
USDA	APHIS Information Technology Infrastructure	\$15.9 million	\$15.9 million

The Department of Transportation, the Managing Partner of the OLRM initiative, is working with the other initiative partners to develop a new business case that will include a technical assessment of the various systems and for integration of the Federal Register’s e-docket system with FirstGov. OMB is reviewing funding that supports online rulemaking as well as other related technology investments and similar efforts in other agencies. OMB staff may contact your agency for help in obtaining this information. Once these funds are identified, OMB (working with the OLRM initiative team) will conduct analysis, identify redundant technology investments, and see if any agency achievements could serve as “best practices” for the OLRM initiative. Please take whatever steps are necessary to facilitate your agency’s response to this effort.

Under the first phase of this initiative, OMB will review the business cases for the identified redundant systems and work closely with the OLRM initiative team to develop the criteria for conducting the technical assessment. The assessment and business case will document on-line features and functions needed for citizens to easily find and comment on proposed regulations. Based on the results from the assessment, a single, front-end web application for receiving public comments on proposed agency rules will be leveraged and used by federal rulemaking agencies. Phase I of the OLRM will be completed by December 31, 2002.

Following phase I, the assessment will also document the capability of any “back-end” regulatory/knowledge management system that is currently being utilized or developed by the agencies as part of phase II. Phase II will consolidate duplicative “back-end” information technology systems and deploy an integrated solution built on an existing system and processes. Phase II is expected to be completed by December 31, 2003.

Pursuant to section 5113(b)(5)(B) of the Clinger Cohen Act, affected agency IT spending for on-line rulemaking systems must conform to the OLRM program plan. OMB will apportion funds consistent with a migration plan developed by the OLRM initiative team and approved by the President’s Management Council.

The OMB point of contact for this initiative is Tad Anderson, Government-to-Business Portfolio Manager, 202-395-7923, stanton.anderson@omb.eop.gov.