

GAO

Report to the Chairman, Subcommittee
on Oversight, Restructuring, and the
District of Columbia, Committee on
Governmental Affairs, U.S. Senate

July 1998

REGULATORY MANAGEMENT

Implementation of Selected OMB Responsibilities Under the Paperwork Reduction Act





**United States
General Accounting Office
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General Government Division

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The Honorable Sam Brownback
Chairman, Subcommittee on Oversight,
Restructuring, and the District of Columbia
Committee on Governmental Affairs
United States Senate

Dear Mr. Chairman:

The Paperwork Reduction Act (PRA) of 1980 established the Office of Information and Regulatory Affairs (OIRA) within the Office of Management and Budget (OMB) to provide central agency leadership and oversight of governmentwide efforts to reduce unnecessary paperwork burden and improve the management of information resources. However, by the end of fiscal year 1995, federal agencies' annual paperwork burden-hour estimate had risen from about 1.5 billion hours in 1980 to about 6.9 billion hours. The Paperwork Reduction Act of 1995 amended and recodified the original act and was intended to, among other things, minimize the paperwork burden for individuals, small businesses, and others resulting from the collection of information by or for the federal government. The 1995 act reaffirmed and expanded OIRA's PRA responsibilities, and the drafters of the legislation indicated that improving OIRA's leadership would be one of the key factors in determining whether the act was successful.

This report responds to your request that we assess how OIRA has implemented selected responsibilities assigned to it by the 1995 PRA.¹ As requested, we compared OIRA's actions to the act's requirements in three areas of OIRA's information collection responsibilities.

- We looked at how OIRA reviews and controls paperwork, including (1) reviewing and approving agencies' information collection requests; (2) establishing and overseeing guidance for estimating information collection burden; (3) setting annual governmentwide goals for the reduction of that burden by at least 10 percent in fiscal years 1996 and 1997, 5 percent during the next 4 fiscal years, and setting annual agency goals that reduce paperwork to the "maximum practicable opportunity"; and (4) conducting pilot projects to test alternative policies and procedures to minimize information collection burden.

¹The PRA requires the Director of OMB to delegate the authority to administer all functions under the act to the Administrator of OIRA but does not relieve the OMB Director of responsibility for the administration of those functions. In this report, we have adopted the convention of using "OIRA" instead of "OMB" wherever the act assigns responsibilities to OMB or the Director. Also, unless otherwise identified, we use the acronym "PRA" to refer to the 1995 act.

- We examined OIRA's oversight of federal information resources management (IRM) activities, including developing and maintaining a governmentwide IRM plan and periodically reviewing selected agency IRM activities to determine their ability to improve agencies' performance and accomplish agencies' missions.
- We reviewed how OIRA keeps Congress and congressional committees fully and currently informed about major activities under the act.

Results in Brief

OIRA has taken between 3,000 and 5,000 actions (e.g., approvals, disapprovals, and extensions) on agencies' information collection requests in each year since the 1995 PRA was enacted. At the same time, the 20 to 25 OIRA staff members assigned to this task were responsible for reviewing the substance of about 500 significant rules each year and carrying out other statutory, executive order, and policy responsibilities. Although OIRA has provided agencies with some guidance on how they can estimate paperwork burden, the guidance is not very specific. As required by the PRA, OIRA has set both governmentwide and agency-specific burden-reduction goals. However, OIRA officials said they do not believe the act requires that the agencies' burden-reduction goals need to total to the governmentwide goal. Also, OIRA established the agencies' goals for fiscal years 1996 and 1997 at nearly the end of each of those fiscal years. OIRA has not formally designated any pilot projects under the PRA to test alternative policies and procedures to minimize information collection burden. OIRA officials said that other burden reduction efforts are under way, and pilot projects used to satisfy another statute meet the PRA's requirements. However, in most cases those other pilots predate the act and do not appear to have been initiated in response to the act's requirements.

OIRA officials said that information contained in their annual reports to Congress under the PRA, the president's budget, and a strategic plan from the Chief Information Officers' (CIO) Council satisfy the PRA requirements for a governmentwide IRM strategic plan.² However, those documents do not provide a central focus on how agencies should use information resources to improve agency and program performance, and they only partially describe agencies' progress in applying IRM to improve their

²The CIO Council was established by Executive Order 13011 on July 16, 1996, as the principal interagency forum to improve agencies' information resources management practices. It is becoming a key vehicle by which OMB and the agencies collaborate in carrying out the PRA and the Clinger-Cohen Act, 40 U.S.C. Chapter 25 (formerly the Information Technology Management Reform Act of 1996). The Council is composed of the CIOs and the Deputy CIOs of the 28 largest federal agencies as well as senior officials from OMB and the National Archives and Records Administration.

performance and the accomplishment of their missions—elements that the PRA requires in a governmentwide IRM strategic plan. OIRA officials and staff said that they satisfy the PRA requirement that OIRA periodically review selected agency IRM activities through a variety of mechanisms, including their routine reviews of agencies' information collection requests, working through the CIO Council, and as part of the budget formulation and execution process within OMB. However, OMB does not explicitly require agencies' information collection requests and budget submissions to contain all the elements that the PRA specifically mentions as agencies' general IRM responsibilities. Neither do OIRA's efforts through the CIO Council address all of those elements. Therefore, it is not clear how those activities constitute comprehensive reviews of agencies' IRM responsibilities under the PRA.

OIRA officials said that they keep Congress and congressional committees fully and currently informed of major activities under the act through their annual reports, the CIO Council's strategic plan, and other reports and informational mechanisms. However, OIRA's annual reports do not contain all of the specific information that the act requires. Also, although the annual reports present the changes in burden-hour estimates from year to year, OIRA has not clearly notified Congress in those reports or elsewhere that the burden-reduction goals contemplated in the PRA are unlikely to be met, or that OIRA believes that the sum of the agency-specific goals need not equal the governmentwide goal. Neither has it informed Congress or congressional committees that other PRA-required actions have not been taken.

Background

The 1995 PRA reaffirms the principles in the original act and gives significant new responsibilities to OIRA and executive branch agencies. For example, the act requires OIRA to “oversee the use of information resources to improve the efficiency and effectiveness of governmental operations to serve agency missions,” and it makes more explicit agencies' responsibilities in developing proposed collections of information and submitting them to OIRA for review. Like the original statute, the 1995 act requires agencies to justify any collection of information from the public by establishing the need and intended use of the information, estimating the burden that the collection will impose on the respondents, and showing that the collection is the least burdensome way to gather the information. Agencies must receive OIRA approval for each information collection request before it is implemented. The PRA also assigns OIRA other

responsibilities, including information dissemination, statistical policy and coordination, records management, and information technology.

Congress has also given OIRA other statutory responsibilities related to regulatory management. For example:

- The Unfunded Mandates Reform Act (UMRA) requires OIRA to collect agencies' written statements describing the costs and benefits of their rules and to forward those statements to the Congressional Budget Office. UMRA also required OIRA to establish pilot projects in at least two agencies to test regulatory approaches that reduce the burden on small governments and to submit annual reports to Congress detailing agencies' compliance with the act.
- The Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA) requires OIRA to designate certain rules as "major" and therefore subject to a 60 day congressional review period. SBREFA also amended the Regulatory Flexibility Act and required OIRA to serve on advocacy review panels involving rules that the Environmental Protection Agency (EPA) and the Occupational Safety and Health Administration (OSHA) intend to propose that the agencies believe will have a significant economic effect on a substantial number of small entities.
- Section 645(a) of the 1997 Treasury, Postal Services, and General Government Appropriations Act, required OIRA to submit to Congress by September 30, 1997, a report providing estimates of, among other things, the total annual costs and benefits of federal regulatory programs. In the equivalent appropriations act for fiscal year 1998, Congress repeated the requirement for another such report by September 30, 1998.

OMB as a whole also has statutory responsibilities that are related to OIRA's roles in the PRA. For example, under the Government Performance and Results Act of 1993 (the Results Act), OMB is charged with overseeing and guiding agencies' strategic and annual performance planning and reporting, and it is responsible for preparing an annual governmentwide performance plan that presents a single cohesive picture of federal performance goals.³ The Results Act also calls for OMB to review agencies' performance in view of the results the agencies are achieving with the resources they are given. The governmentwide performance plan that the Results Act requires OMB to prepare should, in part, reflect the governmentwide IRM strategic plan that the PRA requires OIRA to prepare. Similarly, OIRA's reviews of agencies' IRM activities under the PRA are

³The Results Act requires government agencies to move to performance-based management. It requires that agencies focus government decisionmaking and accountability on the results of their activities rather than on the activities themselves.

logically related to OMB's reviews of agencies' performance and resource use under the Results Act.

Also, like other federal agencies, the Results Act requires OMB to prepare its own strategic and annual performance plans and, beginning no later than March 31, 2000, to report to Congress annually on its progress toward achieving the goals in its annual performance plan for the previous fiscal year. Agencies' performance plans are to establish connections between their long-term strategic plans and the day-to-day activities of managers and staff. The annual program performance reports are to discuss the extent to which agencies are meeting annual performance goals and the actions needed to achieve or modify those goals that have not been met.⁴ Congress can use these plans and reports to determine how agencies are carrying out their statutory missions.

The Clinger-Cohen Act of 1996, which amended parts of the PRA, also gave OIRA significant leadership responsibilities in supporting agencies' efforts to improve their information technology management practices. Shortly after the passage of the act, we reported that OMB faced a number of challenges in this area, one of which was to develop recommendations for the president's budget that reflect an agency's actual track record in delivering mission performance for information technology funds expended.⁵ We specifically recommended that OMB, among other things, clearly show what improvements in mission performance have been achieved for information technology investments.

In addition to these statutory responsibilities, two executive orders have made OIRA responsible for providing overall leadership of other executive branch regulatory activities and for reviewing executive departments' and agencies' proposed and final regulations before they are published in the Federal Register. Executive Order 12291, issued in 1981 shortly after the original PRA was enacted, gave OMB the authority to review all new regulations issued by executive departments and agencies (other than independent regulatory agencies) for consistency with administration policies. In 1993, that order was revoked and replaced by Executive Order 12866, but the new order reaffirmed OMB's responsibilities for regulatory review and leadership. The order specifically stated that OIRA is the

⁴For a more complete discussion of these performance plans and reports, see Agencies' Annual Performance Plans Under the Results Act: An Assessment Guide to Facilitate Congressional Decisionmaking (GAO/GGD/AIMD-10-1.18, Feb. 1998).

⁵Information Technology Management: Agencies Can Improve Performance, Reduce Costs, and Minimize Risks (GAO/AIMD-96-64, Sept. 30, 1996).

repository of expertise concerning regulatory issues, including matters that affect more than one agency. In calendar years 1995 through 1997, OIRA staff members reviewed approximately 500 significant proposed and final rules each year from executive departments and agencies pursuant to Executive Order 12866. The order also gives OIRA other responsibilities, including convening a regulatory working group comprising representatives of major regulatory agencies.⁶

With both statutory and executive order responsibilities, OIRA plays a dual role in the management of federal regulatory, paperwork, and information policies. It must carry out the responsibilities that Congress has given it through legislation while, at the same time, serving as an advisor to and implementor of presidential policy initiatives. OMB as a whole must similarly balance its statutory responsibilities and its responsibilities as a staff office to the president.

We have issued a number of reports on the PRA since it was first enacted in 1980, several of which have focused on OIRA's responsibilities. For example, in 1983 we concluded that OIRA had made only limited progress in several IRM-related areas of the act and that the primary reason was the decision to assign OIRA primary responsibility for the administration's regulatory reform program without additional resources.⁷ In that report, we recommended that the OMB Director identify in the agency's budget program and financing schedule the resources needed to implement the PRA and assess the feasibility of assigning existing resources to address the act's requirements. We also suggested that Congress consider requiring OMB to (1) identify the resources it needed to implement the act and report annually on those expenditures, (2) provide a separate appropriation for the PRA's implementation, or (3) provide a separate PRA appropriation and prohibit OIRA from performing any duties other than those required in the act. In 1989, we reported that OIRA had established a formal process to review the 3,000 to 4,000 information collection requests it received each year, but those policies were not being consistently applied.⁸ We also noted that OIRA almost always approved requests from agencies with

⁶For a discussion of OIRA's implementation of its responsibilities under Executive Order 12866, see *Regulatory Reform: Implementation of the Regulatory Review Executive Order* (GAO/T-GGD-96-105, Sept. 25, 1996); and *More Benefits Fewer Burdens: Creating a Regulatory System that Works for the American People*, Office of Management and Budget, Office of Information and Regulatory Affairs, December 1996.

⁷*Implementing the Paperwork Reduction Act: Some Progress, But Many Problems Remain* (GAO/GGD-83-35, Apr. 20, 1983).

⁸*Paperwork Reduction: Mixed Effects on Agency Decision Processes and Data Availability* (GAO/PEMD-89-20, Sept. 7, 1989).

established review procedures, and we recommended that OIRA delegate primary review responsibility to senior officials in those agencies.

More recently, in both 1996 and 1997, we testified on the implementation of selected features of the 1995 PRA.⁹ In both of our statements, we noted that the governmentwide burden-reduction goals contemplated in the PRA were unlikely to be met and that agencies often cited statutory constraints as the primary reason. For example, Internal Revenue Service (IRS) officials said that they would not be able to reduce their fiscal year 1995 paperwork totals by more than about 2 percent by the end of fiscal year 1998 unless major changes are made to the tax code. Because IRS has accounted for at least 75 percent of the government's estimated burden-hour total in each year since 1989, we said it appeared unlikely that the federal government as a whole would meet the 25 percent burden-reduction goal contemplated in the act.

As we noted in our June 1997 testimony, it is important to remember that some federal paperwork is necessary and can serve a useful purpose. Information collection is one method by which agencies carry out their missions. For example, IRS needs to collect information from taxpayers and their employers to know the amount of taxes owed. EPA and OSHA must collect information to know whether the intent of such statutes as the Clean Air Act and the Occupational Safety and Health Act are being achieved. The Results Act may require agencies to collect information that they had not previously collected in order to demonstrate their effectiveness. However, the Results Act may also help agencies eliminate certain paperwork requirements and keep the amount of paperwork as low as possible by focusing agencies' information collection actions on only those collections needed to accomplish their missions.

Objectives, Scope, and Methodology

The objectives of our review were to assess how OIRA has implemented three of its information collection responsibilities under the PRA:

- We looked at how OIRA reviews and controls paperwork, including (1) reviewing and approving agencies' information collection requests; (2) establishing and overseeing guidance for estimating information collection burden; (3) setting annual governmentwide goals for the reduction of that burden by at least 10 percent in fiscal years 1996 and 1997, 5 percent during the next 4 fiscal years, and setting annual agency

⁹Paperwork Reduction: Burden Reduction Goal Unlikely To Be Met ([GAO/T-GGD/RCED-96-186](#), June 5, 1996); and Paperwork Reduction: Governmentwide Goals Unlikely To Be Met ([GAO/T-GGD-97-114](#), June 4, 1997).

goals that reduce paperwork to the “maximum practicable opportunity”; and (4) conducting pilot projects to test alternative policies and procedures to minimize information collection burden.

- We examined OIRA’s development and oversight of federal IRM policies, including developing and maintaining a governmentwide IRM plan and periodically reviewing selected agency IRM activities to determine their ability to improve agencies’ performance and accomplish agencies’ missions.
- We looked at whether OIRA is keeping Congress and congressional committees fully and currently informed about major activities under the act.

To determine what actions OIRA had taken in these areas, we analyzed OIRA’s reports to Congress and other documents since the act passed in 1995; and we interviewed several OIRA officials and staff members, including the Acting Administrator. We then compared our understanding of OIRA’s actions in these areas with the PRA’s requirements and its legislative history. We also obtained OIRA staffing information from agency officials and data from the Regulatory Information Service Center (RISC) on the number of OIRA actions related to the information collection requests that it reviewed since the 1995 act was passed, including information on the types of requests submitted and the disposition of those reviews.¹⁰ To put these data in a larger perspective, we also obtained information on OIRA staffing and actions back to 1981, when OIRA was created by the original PRA.

We focused our review solely on OIRA’s implementation of the specific responsibilities delineated in the objectives. We did not examine the implementation of OIRA’s other PRA responsibilities, including its responsibilities in the areas of federal information technology, records management, and statistical policies. Neither did we examine agencies’ information collection responsibilities under the act; the quality of OIRA’s information collection request reviews; or OMB’s or OIRA’s actions to develop information policies (e.g., OMB Circular A-130).¹¹ Although OIRA’s role as a staff office to the president makes it unique in some respects, this study evaluates OIRA’s performance of specific statutory responsibilities for which it is accountable to Congress like any other agency.

¹⁰RISC is part of the General Services Administration but works closely with OMB to provide the president, Congress, and the public with information on federal regulations. RISC maintains a database that includes information on all regulatory actions and all information collection review actions by OIRA.

¹¹OMB Circular A-130 is OIRA’s primary vehicle for providing the PRA-required uniform governmentwide IRM policies.

We conducted our review between January and May 1998 in accordance with generally accepted government auditing standards. At the conclusion of our review, we sent a draft of this report to OIRA for comment; its comments can be found at the end of this letter.

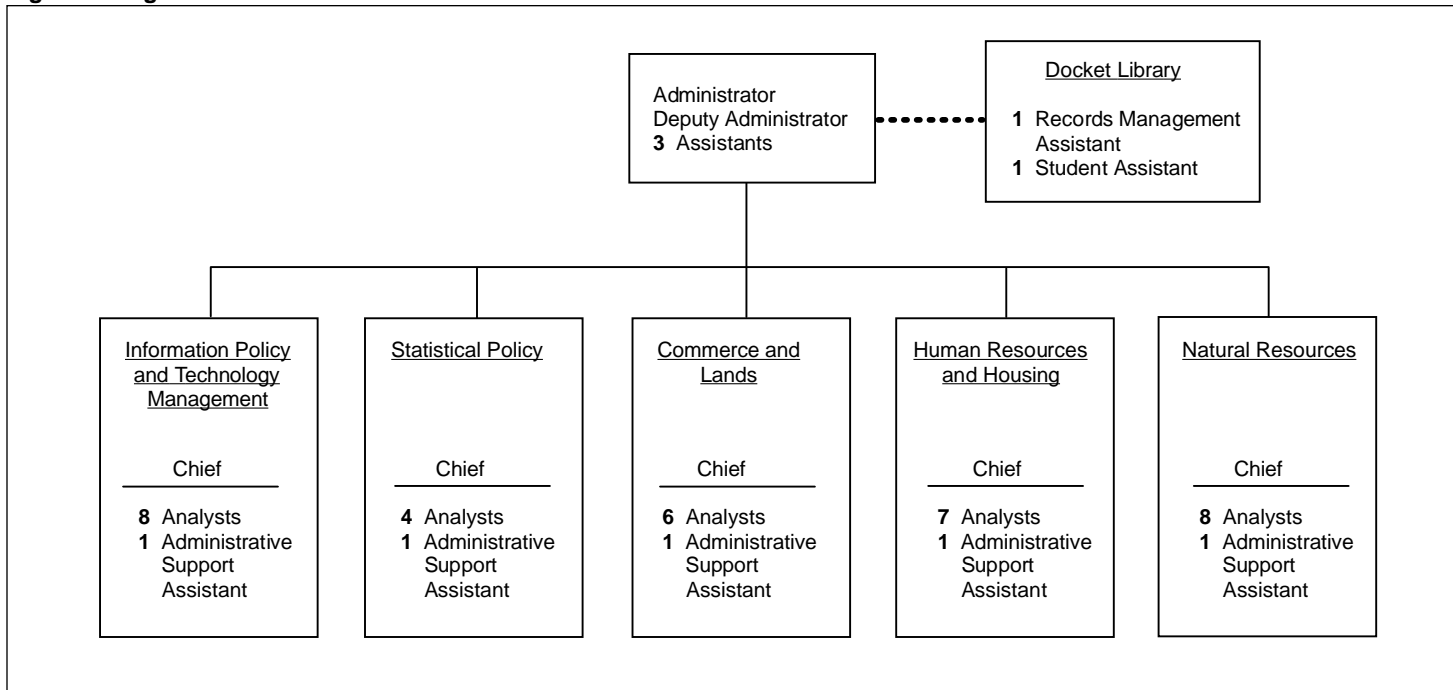
OIRA'S Actions Have Not Satisfied Several of its Responsibilities for Paperwork Review and Control

The 1995 PRA assigns OIRA significant responsibilities for paperwork review and control, including (1) the review and approval of agencies' proposed collections of information, (2) the establishment and oversight of guidance for estimating information collection burden, (3) setting governmentwide and agency specific goals for the reduction of information collection burden, and (4) conducting pilot projects to test alternative policies and procedures to minimize information collection burden. In each of these areas, OIRA officials described certain actions that they had taken or that were ongoing that they believed were consistent with the overall intent of the PRA's provisions. However, we believe that OIRA's actions in several of these areas fell short of the act's specific requirements.

OIRA Review and Approval of Agencies' Proposed Information Collections

As figure 1 shows, OIRA is currently organized into five branches. Three of those branches (Commerce and Lands, Human Resources and Housing, and Natural Resources) are primarily responsible for the office's paperwork and regulatory review functions. Certain OIRA staff within each of these branches, known as "desk officers," are responsible for reviewing proposed information collections and proposed rules from specific agencies. For example, one desk officer in OIRA's Commerce and Lands branch is primarily responsible for reviewing the regulatory and information collection proposals submitted by the Department of Transportation and the Federal Trade Commission. The two remaining OIRA branches (Information Policy and Technology Management and Statistical Policy) are primarily responsible for other functions assigned by the PRA. However, some staff in those branches review proposed information collections from certain agencies, and other staff may be involved in paperwork and regulatory reviews when called upon by staff in the other three branches.

Figure 1: Organization of OIRA



Note: The number of positions shown in each branch is the number of allocated full-time equivalents in 1997.

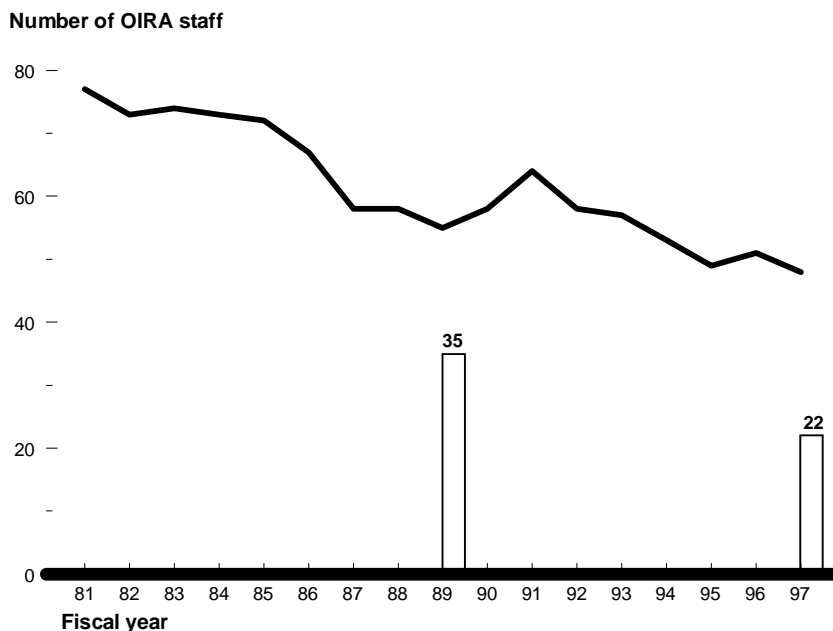
Source: OIRA.

As shown in figure 2, OIRA had 77 employees when it was established in 1981. However, by 1997, OIRA had decreased in size to 48 employees—a 38-percent reduction since 1981. As previously noted, not all of OIRA’s employees are directly involved in reviewing agencies’ information collection requests. Some employees in the agency’s Information Policy and Technology Management and Statistical Policy branches do not review proposed information collections, and others are in support or managerial positions. In 1989, we reported that OIRA employed about 35 desk officers to review agencies’ information collection submissions each year.¹² OIRA officials told us that since the PRA was passed in 1995, between 20 and 25 desk officers have been primarily responsible for reviewing proposed information collections. In 1997, OIRA had 22 desk officers

¹²Paperwork Reduction: Mixed Effects on Agency Decision Processes and Data Availability (GAO/PEMD-89-20, Sept. 7, 1989).

reviewing submissions—about a 35-percent reduction from the level in 1989.

Figure 2: Changes in OIRA Staffing Over Time



Note: Data on the total number of OIRA staff show the number of full-time equivalents used in each fiscal year from 1981 to 1997. Data on the number of desk officers reviewing proposed collections of information are approximate and are available for fiscal years 1989 and 1997 only.

Source: OIRA and GAO analysis of OIRA data.

OIRA’s Review Process

Section 3504(c)(1) of the PRA states that OIRA shall “review and approve proposed agency collections of information.”¹³ The act also says that OIRA must complete its review of agencies’ information collection requests within 60 days of the date that they are submitted to OIRA. However, the act does not prescribe a single way of reviewing proposed information collections. Therefore, OIRA desk officers have considerable statutory discretion in determining how much time and attention to devote to different parts of the submission and in deciding whether to approve the proposed collection or dispose of it in some other way.

¹³The PRA is codified in Chapter 35 of Title 44, United States Code. Therefore, references to sections of the PRA in this report are actually references to Chapter 35 of Title 44.

OIRA desk officers told us that the agencies requesting OIRA approvals for proposed collections of information initiate OIRA's review process by submitting a copy of the proposed collection, an OMB form summarizing how the proposed collection meets the PRA requirements, and a written supporting statement providing more details about the collection. They said this information is initially sent to OIRA's docket library, where it is logged in and forwarded to the relevant branch and desk officer. At the same time, the submitting agency issues a notice in the Federal Register stating that OIRA's approval is being sought, thereby providing the public with an opportunity to comment on the proposed collection. Information collection requests awaiting OIRA's approval are also posted on the agency's electronic bulletin board.¹⁴ The OIRA desk officer then reviews the information collection request and determines whether it should be approved. OIRA desk officers told us that some information collection requests require greater effort and take more time to review than others—e.g., those that are new submissions (as opposed to renewals of existing information collections); that impose heavy paperwork burdens; and that relate to an administration initiative (e.g., welfare reform). The desk officers also said that information collection requests that receive only a limited review at the agencies also require more intensive review at OIRA. For example, they said that the Department of Agriculture has only one person responsible for reviewing proposed information collections for the entire Department. As a result, they said that they have to review the Department's information collection requests more intensively than submissions from other agencies that have devoted more staff to information collection reviews.

If the request is a new information collection, the OIRA desk officers said that they first review any relevant statutes to determine whether the proposed collection is required to fulfill the purposes of the statutes and whether other less burdensome options could meet those purposes. They also said they focus on how the proposed collection meets each of the PRA requirements summarized on the accompanying form. The desk officers told us that they often review the information collections in the context of the agencies' programs and missions, and they are beginning to consider whether the proposed collections are linked to strategic plans that the agencies recently submitted under the Results Act requirements.

The desk officers also said that a key part of their review is an attempt to validate agencies' burden-hour estimates. Some of the desk officers said

¹⁴That bulletin board can be accessed through OMB's internet web site at www.whitehouse.gov/WH/EOP/omb.

that they do so by attempting to complete the proposed information collections as a respondent, keeping track of how long it takes to collect and provide the information. However, other desk officers said that they use other approaches to validate agencies' burden-hour estimates.

All of the desk officers whom we spoke to said they frequently pose questions to the agencies about their proposed information collections, and any memoranda or letters related to those questions are placed in OIRA's public docket. They also said that they review agencies' summaries of public comments regarding the proposed collections and any public comments sent directly to OIRA. However, they also said that the public frequently submits no comments to either the agencies or OIRA.

At the end of OIRA's review process the desk officers said that their initial determinations are reviewed by the branch chief and, if necessary, the Deputy Administrator. They then notify the agency proposing the information collection of the disposition of its request, and the disposition is posted to OIRA's electronic bulletin board. According to the PRA, information collection requests may be approved for up to 3 years, at which time they must be resubmitted to OIRA for approval if the agency wishes to continue to collect the information. The desk officers said that they typically complete their reviews of proposed information collection requests within the 60 days permitted in the PRA. They also said that their day-to-day work reviewing agencies' information collection requests did not substantially change as a result of the 1995 revisions to the PRA.

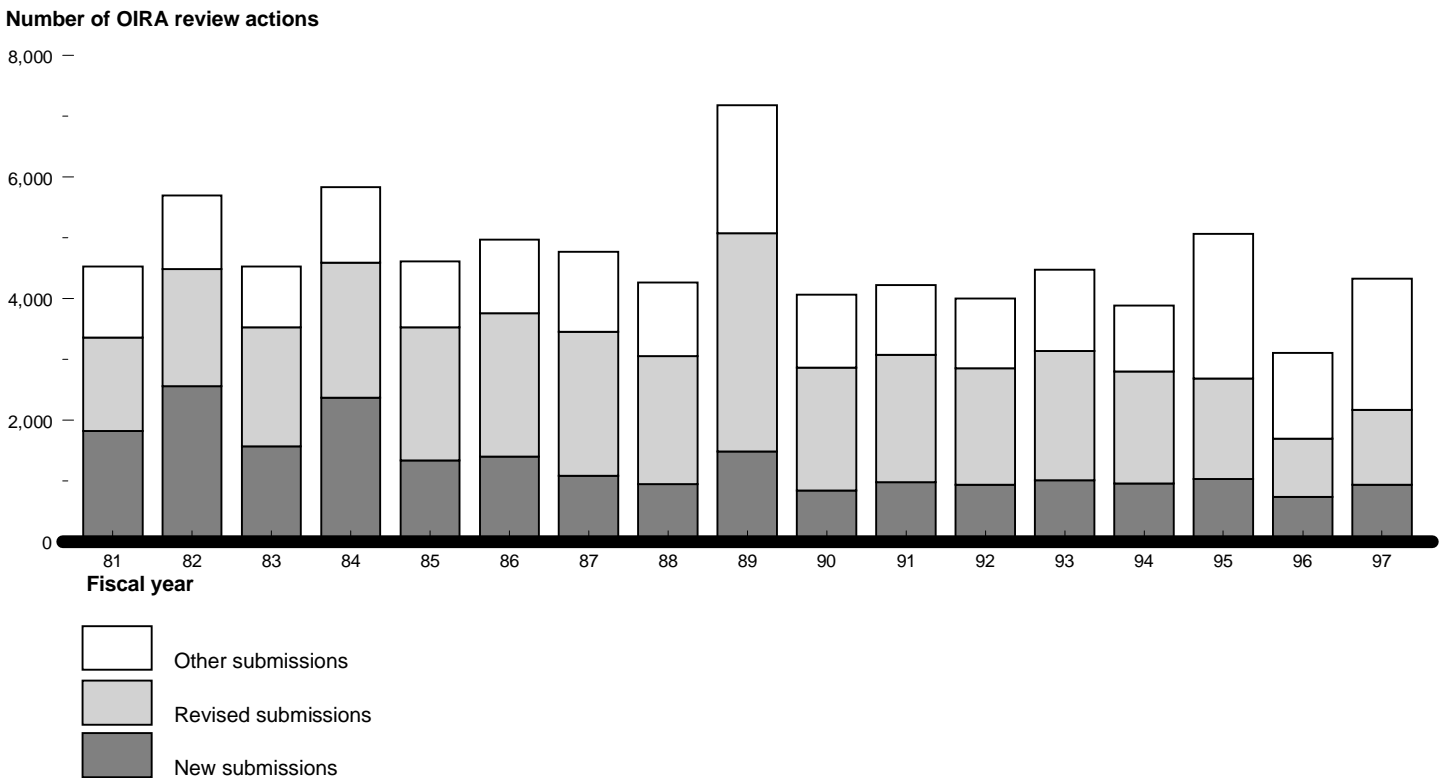
Section 3511 of the PRA requires OIRA to establish and maintain a Government Information Locator Service (GILS) to assist agencies and the public in locating information and to promote information sharing and equitable access by the public. OIRA staff with whom we spoke said they do not use GILS to identify potentially overlapping agency information collection requests. They said that they were generally aware of potential information collection overlaps, and if unsure they would consult other desk officers or other OMB staff.

OIRA Actions and Staffing

RISC's data on OIRA's activities under the PRA are based on the number of actions the agency takes pursuant to agencies' information collection requests. As shown in figure 3, the total number of OIRA actions has fluctuated during the past 17 years, but it has generally been between 3,000 and 5,000 actions each year. The figure also illustrates how those OIRA actions were distributed across the various types of information collection request submissions (e.g., new collections; revisions; and other types of

submissions, such as extensions and reinstatements). The number of OIRA actions on new information collection requests has declined since the first several years of the act. Within the last several years there has been an increase in the number of actions in the “other” category, particularly requests for extensions of original approvals and reinstatements of elapsed information collections.

Figure 3: Number of OIRA Paperwork Review Actions by Type of Submission

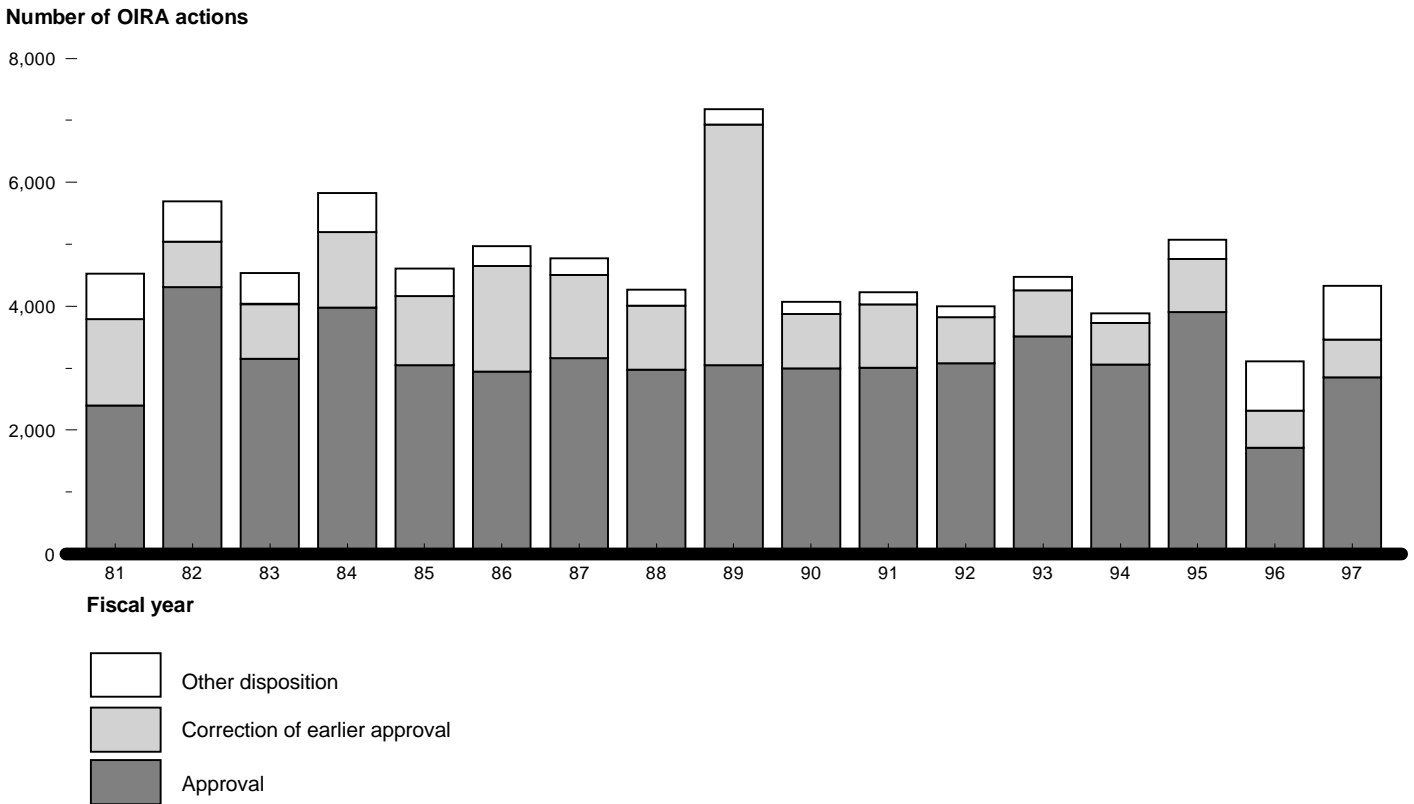


Source: RISC.

Figure 4 also shows the number of OIRA actions each year between 1981 and 1997, and it shows how OIRA acted upon each of the agencies’ information collection requests. The figure illustrates that the majority of

OIRA actions in each year were approvals, followed by corrections and other actions (e.g., disapprovals, short-term extensions of existing approvals, and agency withdrawals of requests). The number of “other” dispositions increased in the 2 years following the enactment of the PRA in 1995, due largely to an increase in the number of short-term extensions of information collections for less than the full 3 years permitted in the act. However, the number of OIRA disapprovals of proposed collections of information declined from more than 200 in 1981 and 1982 to fewer than 15 in each year since 1993. OIRA officials and staff told us that this decline in the number of disapprovals reflects the fact that agencies have learned over time what the PRA requires and also illustrates a change in the way in which OIRA and the agencies interact. They said that during the Reagan and Bush administrations, OIRA’s interactions with the agencies were more contentious; as a result, more information collection requests were disapproved, resubmitted with changes made, and then approved. However, OIRA officials said the Clinton administration has emphasized working collegially with the agencies to resolve differences, so the number of initial disapprovals has declined. Proposed information collections that, in the past, had been initially disapproved are now frequently “approved with changes.” They also pointed out that the increased number of short-term extensions reflects a measure of OIRA concern about the proposed collection.

Figure 4: Number of OIRA Review Actions by Type of Disposition



Source: RISC.

The total number of PRA actions that OIRA has taken each year has been relatively constant since the original PRA was enacted, but (as previously noted) the number of OIRA desk officers available to review proposed collections of information declined during this period. Therefore, the PRA-related workload per OIRA desk officer has increased since the 1980s. One OIRA desk officer told us that she typically has between 20 and 30 proposed information collections on her desk at any one time. However, she pointed out that some of these proposals are renewals of previously approved information collections that do not require substantial effort. She said that she manages the workload through an informal “triage”

system, in which proposed information collections are ranked in terms of the degree of attention required.

OIRA Guidance on Estimating Paperwork Burden

Section 3504(c)(5) of the PRA requires OIRA to “establish and oversee standards and guidelines by which agencies are to estimate the burden to comply with a proposed collection of information.” In August 1995, OIRA issued final regulations that, among other things, reflect the changes that Congress made in the act regarding how the terms “collection of information” and “burden” are defined. For example, the preamble to the regulation notes that the 1995 act redefined burden to include the total time, effort, or financial resources expended to generate, maintain, retain, disclose, or provide information to a federal agency. However, the preamble and the regulation contain only general instructions to agencies on how they should estimate the burden associated with their information collections.

OIRA is in the process of developing more detailed guidance for agencies and OIRA desk officers to use in implementing the PRA. Although the guidance was still in draft when we developed this report, OIRA officials said that it has been widely used by both agencies and OIRA staff since early 1997. The guidance contains a section on burden that specifically references the OIRA responsibilities in section 3504(c)(5) of the act and describes the various types of activities that the act says constitute burden. That section of the guidance also references an appendix with suggested worksheets that are designed to help an agency calculate burden-hours. The appendix describes actions agencies could take to estimate (1) burden-hours per respondent, (2) aggregate burden-hours, (3) capital and other nonlabor costs per respondent, and (4) aggregate capital and other non labor costs. Although the guidance indicates that agencies should estimate the time it takes for respondents to undertake various elements of paperwork activity (e.g., reviewing instructions, searching data sources, and completing and reviewing the collection of information to arrive at the number of burden-hours per respondent), it does not clearly indicate how agencies are to arrive at these estimates or provide examples of how different agencies have estimated the burden associated with particular information collections.

OIRA officials and staff said that there are differences both between and within departments and agencies in how they estimate the burden associated with their information collections. For example, they said that IRS estimates the burden associated with its information collections partly

on the basis of the number of lines on the forms to be completed, but other agencies calculate burden in ways unrelated to the number of lines on each form. OIRA officials said they believe it is less important that agencies measure their information collections in the same way than that the measurements are consistent over time within particular agencies. Consistency over time, they said, permits OIRA to determine whether the burden associated with specific agencies' information collections is increasing or decreasing.

Measuring the number of burden-hours associated with individual information collections or for an agency as a whole is extremely difficult, as illustrated by agencies' reestimates of their burden-hour totals and the magnitude of those adjustments. For example, in 1989, IRS did a comprehensive reassessment of all of its existing data collections, resulting in a 3.4 billion hour increase in its burden-hour estimate.¹⁵ However, this change did not reflect any alteration in the actual paperwork burden felt by the public because only the measurement system used to produce this estimate was altered. A recent analysis of IRS's current burden-hour estimate methodology concluded that the agency may be overstating businesses' paperwork burden by nearly 400 percent.

Agencies should review and, if necessary, revise their methods for estimating burden-hours. However, these large fluctuations in burden-hour estimates by IRS, an agency that constitutes 75 percent of the governmentwide total, illustrate a continuing need for clear guidance on how paperwork burden can be measured. Although a single methodology may not be feasible for all agencies or for all information collections, the PRA clearly contemplated that OIRA would play a critical role in the development of governmentwide guidance and the achievement of reliable and valid measurements of paperwork burden. Although OIRA has taken some steps in this area, it has not fully played that role.

Establishment of Governmentwide and Agency-Specific Paperwork Reduction Goals

One of the PRA's key features is the requirement in section 3505(a) of the act that OIRA, in consultation with the agency heads, set annual governmentwide goals for the reduction of information collection burdens by at least 10 percent in fiscal years 1996 and 1997 and by at least 5 percent in the succeeding 4 fiscal years. The act also requires OIRA to establish annual agency goals to (1) reduce information collection burdens imposed on the public that "represent the maximum practicable

¹⁵Paperwork Reduction: Reported Burden Hour Increases Reflect New Estimates, Not Actual Changes (GAO/PEMD-94-3, Dec. 6, 1993).

opportunity in each agency” and that are consistent with improving agencies’ review processes; and (2) improve IRM in ways that increase the productivity, efficiency, and effectiveness of federal programs.

In our June 1996 testimony on the implementation of the PRA, we said that OIRA had not set either governmentwide or agency-specific burden-reduction goals as required by the act. OIRA officials told us at the time that they planned to set the fiscal year 1996 governmentwide burden-reduction goal when they published their information collection budget (ICB) later that year, and they said that the goal would be the 10-percent reduction for fiscal year 1996 required in the act.¹⁶ They also said that the agency goals would reflect the end of fiscal year 1996 burden-hour estimates that the agencies provided in their ICB submissions—essentially, what the agencies expected their burden-hour totals would be by the end of the fiscal year—unless changed as a result of OIRA review. We noted in our testimony that the weighted average of the agencies’ burden-reduction projections for fiscal year 1996 was about 1 percent governmentwide.

The PRA did not explicitly require that the governmentwide burden-reduction goal should be the sum of the agency-specific goals, only that the governmentwide goal be at least the amounts specified in the act and that agency goals “represent the maximum practicable opportunity in each agency.” Therefore, OIRA officials told us during our 1996 review that if the OIRA Administrator determines that federal agencies are capable of collectively reducing their paperwork burden by an average of only 1 percent in a fiscal year, the Administrator is authorized to set agencies’ goals that will not add up to the governmentwide goal. However, we noted in our June 1996 testimony that it is logical to assume that agency-specific goals would be the means by which the governmentwide goals would be achieved. Furthermore, the PRA’s legislative history indicates that Congress contemplated a connection between the governmentwide and the agency-specific goals. For example, the act’s conference report states that

“individual agency goals negotiated with OIRA may differ depending on the agency’s potential to reduce the paperwork burden such agency imposes on the public. Goals negotiated with some agencies may substantially exceed the Government-wide goal, while those negotiated with other agencies may be substantially less.”

¹⁶Since 1981, OIRA has developed an annual ICB as a part of its effort to meet the PRA requirements to review information collections and the burden they impose. The ICBs report on governmentwide and agencies’ total information collection burden for the current fiscal year and on agencies’ estimates of their total burden in the coming fiscal year. The ICBs also report selected burden reduction accomplishments in the agencies.

In August 1996, OIRA formally set agency-specific burden-reduction goals for fiscal year 1996 by publishing the ICB in its Information Resources Management Plan of the Federal Government. The agencies estimated that in the aggregate, their burden-hour totals at the end of fiscal year 1996 (less than 2 months later) would be less than 1 percent below their totals at the end of fiscal year 1995. However, in a subsequent ICB the agencies estimated that the fiscal year 1996 reductions were about 2.6 percent—still far short of the 10 percent governmentwide burden-reduction goal contemplated in the act for that year. OIRA officials told us at the time that OIRA had satisfied the PRA’s requirement that it set governmentwide burden-reduction goals by repeating the act’s requirements in the ICB.

In January 1997, OMB issued Bulletin 97-03, which instructed executive departments and agencies to prepare and implement ICBS and information streamlining plans that would include “goals and timetables to achieve, by the end of [fiscal year] 1998, a cumulative burden reduction of 25 percent from their [fiscal year] 1995 year-end level, consistent with the governmentwide burden-reduction goals in the Paperwork Reduction Act of 1995.” OIRA officials said that they decided to set a 3-year goal instead of the year-to-year goals required in the act because many approved collections are approved for 3 years, and it would take that long for associated paperwork reductions to be implemented. Although the January 1997 bulletin indicated that each agency’s burden-reduction goal should be consistent with the 25 percent governmentwide goal envisioned in the PRA by the end of fiscal year 1998, OIRA officials again told us during this review that the act does not require that the agencies’ goals total to 25 percent by that date.

In our June 1997 testimony, we noted that OIRA had not published the ICB for fiscal year 1997 and, therefore, had not formally established agencies’ burden-reduction goals for that year. We also noted that all three of the regulatory agencies that we examined in that review (EPA, OSHA, and IRS) said that the statutory framework underlying their regulations and/or continued actions by Congress requiring the agencies to produce regulations were major impediments to eliminating paperwork burden. For example, IRS said that it could not reach a 25 percent burden-reduction goal of eliminating more than 1 billion burden-hours of paperwork under its current statutory framework and still carry out its mission. Of the three agencies, only OSHA indicated that it would achieve the 25 percent burden-reduction goal by the end of fiscal year 1998.

In September 1997, OIRA set agency-specific burden-reduction goals for fiscal year 1997 by publishing the ICB in its Reports to Congress Under the Paperwork Reduction Act of 1995. The agencies' aggregate burden-hour estimate for the end of fiscal year 1997 (less than 1 month later) was less than 2 percent below the total for fiscal year 1996. In combination with the reductions in the previous fiscal year, the agencies estimated that their total reductions by the end of fiscal year 1997 from the fiscal year 1995 baseline would be about 4.4 percent. Therefore, in order to meet the 25-percent reduction by the end of fiscal year 1998 that was contemplated in the PRA and indicated in OMB's January 1997 bulletin, federal agencies would have to reduce their paperwork burden by more than 20 percent during fiscal year 1998. This scenario is unlikely because, as previously noted, the agency that accounts for 75 percent of the governmentwide total (IRS) has indicated that it can reduce its burden by only about 2 percent by the end of fiscal year 1998.¹⁷ OIRA officials told us during this review that the ICB establishing burden-reduction goals for fiscal year 1998 will not be published until later this year.

OIRA Pilot Projects

Section 3505(a)(2) of the PRA requires OIRA to conduct pilot projects with selected agencies and nonfederal entities on a voluntary basis to test alternative policies, practices, regulations, and procedures to fulfill the purposes of the act, particularly with regard to minimizing the federal information collection burden. OIRA officials said that they have not formally established any pilot projects specifically for this purpose. However, they consider the three pilot projects used to satisfy UMRA's pilot project requirement to also satisfy the PRA's pilot requirement. Section 207 of UMRA requires OMB to establish pilot projects in at least two agencies to test innovative, flexible regulatory approaches that reduce reporting and compliance burdens on small governments. However, as we noted in our February 1998 UMRA report, the pilots that OIRA identified as satisfying the UMRA requirements were not started because of UMRA.¹⁸ In fact, at least two of the pilots appear to have been initiated as a result of recommendations from the National Performance Review in September 1993—before either UMRA or the PRA were enacted. Furthermore, the UMRA pilots are confined to only one segment of the nonfederal population (small governments) that are required to provide information to or for federal agencies.

¹⁷However, OIRA officials also noted that agencies outside of the Department of the Treasury cumulatively reduced their paperwork burden estimates by 12.7 percent during fiscal year 1996, and estimated that the burden hour total would decrease by another 4.7 percent by the end of fiscal year 1997.

¹⁸Unfunded Mandates: Reform Act Has Had Little Effect on Agencies' Rulemaking Actions (GAO/GGD-98-30, Feb. 4, 1998).

OIRA officials noted that other projects were ongoing in certain agencies that could accomplish the underlying purpose of the PRA pilots, including (1) the Simplified Tax and Wage Reporting System, a joint project of IRS and the Department of Labor that would permit companies to electronically file all federal and state tax information at once; and (2) the International Trade Data System, an interagency effort led by the Department of the Treasury to design and build shared systems for gathering, distributing, and storing foreign trade data. Past funding for these two projects has supported research and small prototypes. The President's budget for fiscal year 1999 asks for funds to begin full-scale development of these systems.

OIRA'S Actions Do Not Satisfy All of its Responsibilities to Oversee IRM Activities

The 1995 PRA defined information resources as "information and related resources, such as personnel, equipment, funds, and information technology." The act also defined information resources management as "the process of managing information resources to accomplish agency missions and to improve agency performance, including through the reduction of information collection burden on the public." These new definitions emphasize the link between IRM and program outcomes and make agencies' use of information resources consistent with the goals of the then recently enacted Results Act. The 1995 PRA refocused OIRA's role on integrating information resources management with program management and concentrating on program outcomes as the standard for overseeing the efficiency and effectiveness of IRM. The 1995 act also stressed the linkage between IRM and the reduction of paperwork burden on the public.

Using the 1995 PRA's definition of IRM and its emphasis on the use of information resources to achieve and measure progress toward outcomes, in this portion of our review we focused on two of OIRA's specific IRM-related PRA responsibilities: (1) its responsibility to develop and maintain a governmentwide IRM strategic plan and (2) its responsibility to periodically review selected agency IRM activities to ascertain the efficiency and effectiveness of such activities to improve agency performance and the accomplishment of agency missions. We concluded that although OIRA has undertaken a number of IRM-related activities, the agency has not fully satisfied its PRA responsibilities.

OIRA's Responsibility to Develop and Maintain a Governmentwide IRM Strategic Plan

Section 3505(a)(3) of the PRA requires OMB, in consultation with other agencies, to “develop and maintain a Governmentwide strategic plan for information resources management.” The act states that the plan should include (1) a description of the objectives and means by which the federal government shall apply information resources to improve agency and program performance; (2) plans for reducing information burdens on the public, enhancing public access to and dissemination of information, and meeting the information technology needs of the federal government; and (3) a description of agencies’ progress in applying IRM to improve their performance and the accomplishment of their missions.

OIRA officials told us that their August 1996 report Information Resources Management Plan of the Federal Government satisfied the requirement for an IRM strategic plan for fiscal year 1996—the first year after the 1995 PRA was enacted. The OIRA report was similar in content to other documents that OIRA had published for several years before the enactment of the PRA and contained four principal parts: (1) a discussion of federal obligations for information technology resources (i.e., computer and telecommunications hardware, software, and services); (2) the ICB for fiscal year 1995; (3) a brief discussion of federal information dissemination activities; and (4) a brief discussion of agencies’ compliance with the information policy provisions of OMB Circular Number A-130. OIRA officials also told us that their September 1997 publication Reports to Congress Under the Paperwork Reduction Act of 1995 satisfied the PRA’s requirement for an IRM strategic plan for fiscal year 1997. Similar in format to OIRA’s August 1996 report, the September 1997 report contained sections on federal information technology obligations, the ICB for fiscal year 1996, federal information dissemination activities, and agencies’ compliance with OMB Circular A-130.

OIRA officials also told us that the CIO Council’s January 1998 Strategic Plan met the PRA requirement that it develop a governmentwide IRM strategic plan. The CIO Council that developed the report was chaired by the OMB Acting Deputy Director for Management, and the foreword to the strategic plan notes the requirement in section 3505(c)(3) of the act that OIRA develop a governmentwide IRM strategic plan. The CIO Council’s strategic plan contained sections on (1) defining an interoperable federal information architecture, (2) ensuring security practices that protect government services, (3) leading the federal year 2000 conversion effort, (4) establishing sound capital planning and investment practices, (5) improving the information technology skills of the federal workforce, and (6) building relationships and outreach programs. The plan states that

its primary purpose is “to articulate the Council’s vision and strategic priorities for managing Federal [information technology] resources over the long-term and to define its near-term commitments in beginning implementation.”

Although a governmentwide IRM strategic plan can be structured in many ways (e.g., presenting highlights from different agencies or focusing on crosscutting issues), none of the reports that OIRA cited appear to have met all of the PRA requirements for such a plan. For example, although these reports contained a few examples of how agencies are using information technology, none of the reports clearly discussed the objectives and means by which the federal government would use all types of information resources to improve agency and program performance. Although both of the OIRA reports contained examples of how agencies had reduced information collection requirements, neither report described agencies’ progress in applying IRM to improve their performance or mission accomplishment. As we noted in our testimony last October, we believe that the strategic goals agreed to by the CIO Council (and later included in its strategic plan) are the right set of issues to pursue regarding information technology management.¹⁹ However, we also noted that the CIO Council lacked a “visible yardstick” to provide an incentive for progress in meeting information management goals and demonstrating positive impact on the agencies’ bottom line performance. Also, the CIO Council’s strategic plan focused primarily on information technology issues, which the PRA indicates is only one part of information resources or IRM.

In June 1997, we reported on five regulatory agencies’ efforts to focus on results and the factors that they believed assisted or impeded these efforts.²⁰ Although officials from all five agencies said that they found it difficult to establish outcome-oriented program performance measures because of problems they experienced in collecting necessary data, several of the agencies had developed measures that we considered at least somewhat results oriented. For example, the Federal Aviation Administration measured progress toward its strategic goal of “system safety” by collecting such information as the number of fatalities per million passenger miles and the number of accidents and runway incursions that occurred each year. IRS assessed accomplishment of its

¹⁹Chief Information Officers: Ensuring Strong Leadership and an Effective Council (GAO/T-AIMD-98-22, Oct. 27, 1997).

²⁰Managing for Results: Regulatory Agencies Identified Significant Barriers to Focusing on Results (GAO/GGD-97-83, June 24, 1997).

strategic objective of improving customer service by collecting information on the rate at which taxpayer issues were resolved during the first contact with IRS. Also, OSHA has collected information on the number of accidents, injuries, and deaths within 80,000 workplaces in order to better target its enforcement activities.²¹ These kinds of information and performance measures are examples of how information resources can be used to direct, assess, and, ultimately, improve agencies' performance. A governmentwide IRM strategic plan, however it is constructed, can highlight these kinds of efforts and encourage agencies to make greater use of information resources to accomplish their missions.

OIRA's Responsibility to Review Selected Agency IRM Activities

Section 3513(a) of the PRA requires OIRA, in consultation with other agencies, to "periodically review selected agency information resources management activities to ascertain the efficiency and effectiveness of such activities to improve agency performance and the accomplishment of agency missions." Agencies' general IRM responsibilities are delineated in section 3506(b) of the act, which requires them to, among other things, (1) develop a strategic IRM plan that describes how IRM activities help accomplish agency missions; and (2) develop and maintain an ongoing process to "establish goals for improving IRM's contribution to program productivity, efficiency, and effectiveness, methods for measuring progress towards those goals, and clear roles and responsibilities for achieving those goals."

OIRA officials and desk officers identified a number of activities that they believe constitute a review of agencies' IRM activities. The desk officers said that they conduct those reviews as part of their analyses of agencies' individual information collection requests and proposed regulations. Working with specific agencies over time, the desk officers said they develop an understanding of the agencies' IRM activities that becomes part of the policy context in which they assess those requests and rules.

OIRA officials also told us that their reviews of agencies' activities under the Clinger-Cohen Act also satisfy the PRA requirement that OIRA review agencies' IRM actions. They said that one of the most important activities required by Clinger-Cohen is the selection of agencies' CIOs, and OIRA participates in that process to try and ensure that the CIOs have access to agency heads, are qualified for the positions, and have written job

²¹However, in a recent report, *Occupational Safety and Health: Efforts to Obtain Establishment-Specific Data on Injuries and Illnesses* (GAO/HEHS-98-122, May 22, 1998), we noted that OSHA has made only limited use of the data it collected in its 1996 and 1997 surveys and has not fully implemented any of the intended purposes of the information collections.

descriptions that are consistent with the statutory requirements. Finally, OIRA officials said that they review agencies' IRM activities as part of the budget development and execution process within OMB. They noted that the Clinger-Cohen Act requires OIRA to report annually on the "net program performance benefits achieved as a result of major capital investments made by executive agencies in information systems and how the benefits relate to the accomplishment of the goals of the executive agencies." They said that the President's budget for fiscal year 1999 satisfies this reporting requirement by linking agencies' capital investments to agencies' goals and activities under the Results Act.

Overall, OIRA officials said that they view the agencies' IRM responsibilities as including all of the agency responsibilities in section 3506 of the act, including not only the general IRM requirements in section 3506(b) but also the requirements in the other sections relating to collections of information and control of paperwork, information dissemination, statistical policy and coordination, records management, and privacy and security. They also said that the PRA requirement that OIRA review agencies' IRM activities is part of the "daily life" of the agency and OMB. However, they said that they do not view this section of the act as requiring OIRA or OMB to undertake any special action or review.

Although OIRA officials said that they view agencies' IRM responsibilities as including all of the requirements in section 3506 of the PRA, section 3506(b) specifically delineates what agencies must do "[w]ith respect to general information resources management." Therefore, OIRA should, at a minimum, review agencies' implementation of their responsibilities under section 3506(b) of the PRA. Also, although OIRA officials said that they review agencies' IRM activities through a variety of vehicles, it is not clear how all of the vehicles that they mentioned relate to the two agency IRM requirements that we examined in section 3506(b). For example, OIRA's participation in the selection of agencies' CIOs and its review of agencies' information system investments in the budget process do not constitute a review of agencies' IRM strategic plans or the agencies' goals for improving IRM's contribution to program productivity, efficiency, and effectiveness. Also, OIRA does not require agencies' individual information collection requests to present the agencies' IRM strategic plans or IRM goals. Therefore, unless the agencies include that information on their own in the supplementary information, OIRA's reviews of agencies' information collection requests cannot satisfy its responsibilities to review agencies' IRM activities. However, the desk officers indicated that they are beginning to consider whether the proposed collections are linked to agencies'

strategic plans under the Results Act. If so, these individual information collection requests can be viewed in the larger context of program effectiveness and agency mission accomplishment that the PRA envisioned.

As noted previously, OMB's reviews of agencies' information technology investments during the budget process can link one element of agencies' IRM activities to the agencies' missions and performance. However, OMB does not explicitly require agencies to present in their budget submissions an IRM strategic plan or to establish agencywide goals for improving IRM's contribution to program productivity, efficiency, and effectiveness.²² Therefore, it is not clear how OMB's reviews of agencies' budget submissions constitute a review of what the PRA specifically identifies as agencies' IRM responsibilities.

OIRA Has Not Kept Congress Fully and Currently Informed of Certain Major PRA Activities

Section 3514(a) of the PRA states that OIRA must "keep Congress and congressional committees fully and currently informed of the major activities under [the act]," and it requires OIRA to "submit a report on such activities to the President of the Senate and the Speaker of the House of Representatives annually and at such other times as [OIRA] determines necessary." The PRA says that any such report must contain a description of the extent to which agencies have reduced information collection burdens on the public and should specifically include (1) a summary of accomplishments and planned initiatives; (2) a list of all violations of the act's requirements; (3) a list of any increases in the collection of information burden (including the authority for each such collection); and (4) a list of agencies that did not reduce information collection burdens in accordance with the goals established in section 3505(a)(1), a list of the programs and statutory responsibilities of those agencies that precluded that reduction, and recommendations to assist those agencies to reduce their information collection burdens. The PRA also specifies that OIRA's annual report must contain a description of the extent to which agencies have improved program performance and mission accomplishment through IRM.

OIRA officials told us that their August 1996 Information Resources Management Plan of the Federal Government and their September 1997 Reports to Congress Under the Paperwork Reduction Act of 1995 have

²²OMB's July 1997 Capital Programming Guide, developed jointly with GAO, integrates statutory and executive branch management requirements to ensure that investments in capital assets, including information systems, contribute to the achievement of agencies' information systems investments and the agencies' strategic plans required by the Results Act. However, it does not explicitly mention the role of the agencies' strategic IRM plans in this process.

served as the primary vehicles by which they have satisfied the PRA's reporting requirement. As noted previously, the reports contained information on federal information technology obligations, the ICBS, federal information dissemination activities, and agencies' compliance with OMB Circular A-130. They said that the ICBS included most of the information required under section 3514(a) of the PRA. For example, they noted that the ICB for fiscal year 1997 included the burden reduction goals in the PRA, the overall and agency-specific burden reductions between fiscal years 1995 and 1996, and the estimated reductions by the end of fiscal year 1997. OIRA officials also said that they have fulfilled the reporting requirement in other documents, including the CIO Council's Strategic Plan and various statistical reports published by OIRA's Statistical Policy Branch. Finally, they noted that they have testified at numerous hearings on the PRA and have responded to individual requests for information about PRA implementation from Members and committees of Congress.

In our June 1996 testimony on the implementation of the PRA, we said that we did not believe that OIRA had kept Congress fully and currently informed about why it had not established any of the burden-reduction goals required in section 3505 of the act. We also noted that OIRA had not informed Congress that the 10 percent governmentwide burden-reduction goal envisioned in the act for fiscal year 1996 would not be met. We believed that both of these issues were "major activities" under the act and that OIRA should have informed Congress of those activities.

As previously noted, OIRA established agency-specific burden-reduction goals through the publication of its fiscal year 1996 and fiscal year 1997 ICBS in its August 1996 and September 1997 reports to Congress. Although the ICBS in these reports presented the changes in burden-hour estimates from year to year, neither of the reports clearly stated that the governmentwide burden-reduction goals contemplated in the act were unlikely to be met. Neither did those reports indicate that OIRA believes that the sum of the individual reduction goals that is the maximum practicable for each agency need not equal the governmentwide goal. We believe these are also major activities under the PRA about which OIRA should have kept Congress and congressional committees fully and currently informed.

OIRA's August 1996 and September 1997 reports contained some of the specific elements that the PRA requires in OIRA's annual reports (e.g., burden-reduction accomplishments and initiatives and violations of the

act). Similarly, the other reports and actions that OIRA mentioned contained discussions of other PRA-related activities. However, other elements that the PRA requires in those reports were missing. For example, the reports did not list the authority for each information collection whose burden increased. Also, for agencies that did not meet their burden-reduction goals, the reports did not list the programs and statutory responsibilities that prevented the agencies from achieving the goals or recommendations to assist those agencies to reduce burden.

None of the reports that OIRA officials mentioned contained information on how agencies had improved program performance and the accomplishment of agency missions through IRM—clearly a major focus of the 1995 PRA. Neither did those reports discuss what OIRA had done to carry out all of its major activities required by the act. For example, OIRA has not clearly and succinctly described its reviews of agencies' IRM activities, which may in part be due to the fact that OIRA does not view this requirement as necessitating any type of separate activity.

In February 1998, OMB submitted its performance plan for fiscal year 1999 to Congress pursuant to the Results Act. In that plan, OMB said that one of its performance goals was to “[w]ork with agencies to reduce paperwork burdens.” OMB noted the PRA requirement that OIRA set a governmentwide goal of reducing information collection burdens by at least 5 percent in fiscal year 1999 and said it works with agencies to set goals to reduce burdens to the “maximum extent practicable.” OMB also noted that it submits an annual report to Congress describing these goals and agency progress toward meeting them. However, OMB did not indicate in the performance plan that the governmentwide goal was unlikely to be met or that it believes that the sum of the agency-specific goals does not have to equal the governmentwide goal. Also, OMB's performance plan does not identify the specific strategies and resources that it will use to achieve this performance goal, nor does it provide performance measures that would allow Congress and the public to determine how well OMB is achieving these goals.

Conclusions

This report examines some, but not all, of OIRA's specific responsibilities under the 1995 PRA. Although OIRA officials noted a variety of actions that the agency had taken regarding those responsibilities, we do not believe that OIRA has fully satisfied the act's requirements in any of the three areas we examined: (1) reviewing and controlling paperwork, (2) developing and overseeing federal IRM policies, and (3) keeping Congress and

congressional committees fully and currently informed about major activities under the act.

For example, in the area of paperwork review and control, the PRA requires OIRA to set both governmentwide and agency-specific burden-reduction goals. OMB's January 1997 bulletin said that agencies should prepare and implement ICBS and streamlining plans that would achieve a 25-percent reduction by the end of fiscal year 1998. However, the agencies' goals are actually established in the ICBS. OIRA's practice of establishing agency-specific burden-reduction goals in those ICBS at the level that it and the agencies expect the agencies' paperwork burden will be by the end of the fiscal year will not motivate the agencies to reduce their information collection requirements. A goal should represent a desired condition, not simply the condition that the participating parties expect will occur. Also, OIRA's pattern in the past 2 years of publishing agency goals for the fiscal year within the last 2 months of the fiscal year makes the goals of limited value in the management of the agencies' paperwork reduction efforts. This year, OIRA will again not publish agency-specific goals until late in the fiscal year. Finally, although OMB's January 1997 bulletin said that each agency's burden-reduction goal should be consistent with the governmentwide, 25 percent burden-reduction goal envisioned in the PRA, OIRA officials told us during this review that the agency and governmentwide goals are not necessarily linked. This position is illogical and appears inconsistent with the PRA's legislative history.

OIRA also has not fully satisfied either of the IRM-related responsibilities that we examined—developing a governmentwide IRM plan and periodically reviewing selected agency IRM activities. Although OIRA's August 1996 and September 1997 reports on the PRA and the CIO Council's strategic plan contain some of the elements that the PRA requires in an IRM strategic plan, none of these documents describe, in a clear and comprehensive manner, (1) the objectives and means by which the federal government should use information resources to improve agency and program performance or (2) agencies' progress in applying IRM to improve their performance—two of the three basic elements that the act says an IRM strategic plan should have. Also, although OIRA desk officers and officials mentioned a number of actions that they had taken to review agencies' IRM activities, none of those actions appeared to focus on the two specific IRM responsibilities that the PRA explicitly assigns to the agencies—the development of an IRM strategic plan and the development of a process to establish goals for improving IRM's contribution to productivity, efficiency, and effectiveness.

Finally, as we have previously testified, OIRA has not kept Congress and congressional committees fully and currently informed about certain major activities under the PRA. The establishment of burden-reduction goals was one of the key elements in the 1995 PRA, and OIRA has included information in its annual reports to Congress about the status of agencies' burden-reduction efforts. However, OIRA has never directly informed Congress in its reports or elsewhere that the goals envisioned in the PRA are unlikely to be met, or that the agencies believe that the goals cannot be met given current statutory requirements. Neither has OIRA informed Congress that it believes that the total of the agency-specific goals do not have to equal the governmentwide goals. We believe that these are major activities under the act about which OIRA should have kept Congress and congressional committees fully and currently informed. Had OIRA informed Congress that the goals in the PRA were unlikely to be met given agencies' statutory obligations, Congress could have used that information to determine whether it wanted to change the goals or to change the statutory requirements to allow the agencies to meet the PRA's goals. Also, OIRA has not informed Congress that it has not developed an IRM strategic plan, or even that it believes its August 1996 and September 1997 reports to Congress and the CIO Council's report represent a strategic plan. Finally, OIRA's reports to Congress have not included several of the specific elements that the PRA requires OIRA to include in those reports.

OIRA's lack of action in some of these areas may be a function of its resource and staffing limitations. The office has less than two dozen staff who review between 3,000 and 5,000 PRA information collection requests each year, analyze the substance of about 500 significant rules each year under Executive Order 12866, and perform other duties pursuant to other statutes and executive orders. As a result, it may be difficult for OIRA officials and staff to carry out all of the specific tasks that the PRA requires it to take or to adopt a strategic view of information collection and information management. However, as we said in our 1983 report on the PRA, if resource limitations are the problem, OMB officials need to notify Congress of those limits in its budget submission. It has not done so.

Through its oversight role, Congress can help ensure that OIRA carries out its statutory obligations under the PRA and plays the leadership role that the drafters of the PRA believed would be critical to the act's success. Congress can exercise that oversight in any number of ways, including congressional hearings that focus directly on how well OIRA has carried out its responsibilities under the act. Another alternative is through the appointment and confirmation process in which the Senate has an

opportunity to explore what prospective OMB and OIRA nominees plan to do to ensure stronger leadership and better compliance with the PRA's requirements.

Congress could also use its review of the annual performance plans and reports that OMB is required to submit under the Results Act as a means of overseeing how OIRA is carrying out its PRA responsibilities. However, for Congress to use OMB's plans and reports in this manner, the documents must directly address OIRA's PRA responsibilities. OMB's performance plan would have to identify goals that relate to OIRA's PRA responsibilities, identify the specific strategies and resources that it will use to achieve these performance goals, and develop measures that would inform Congress and the public about how well OMB is achieving these goals. Those performance goals would be specifically linked to program activities in OMB's budget requests. If OIRA's staffing and resource limitations prevent it from accomplishing its responsibilities, or if OMB believes that OIRA's PRA responsibilities need modification, OMB can highlight those limitations and propose any statutory changes that it believes are necessary in its performance plan and its annual report.

Recommendation

The Director of OMB should ensure that its annual performance plans and annual program reports to Congress pursuant to the Results Act identify specific strategies, resources, and performance measures that it will use to address OIRA's specific PRA responsibilities. If the Director believes that OMB needs additional resources to carry out its PRA-related responsibilities, or that certain responsibilities or goals should be eliminated or revised, the Director should highlight those limitations and any proposed changes in the agency's plans and reports.

Matter for Congressional Consideration

To improve the implementation of the PRA, Congress may want to use its oversight authority to help ensure that OIRA executes its responsibilities under the act. Specifically, Congress may want to focus part of its review of OMB's annual performance plans and reports pursuant to the Results Act on OIRA's statutory PRA obligations.

Agency Comments

We provided a draft of this report to OMB for review and comment. On June 11, 1998, we met with the Acting Administrator of OIRA to discuss the report; and on June 17, 1998, he provided a written summary of OMB's comments. In that summary, the Acting Administrator said that because

the report discusses only a few of OIRA's responsibilities under the PRA, it does not accurately or fully portray the complexity and scope of these responsibilities. He also said that because the report does not include other responsibilities on which OIRA has taken action under the PRA, it does not accurately represent the extent to which OIRA has fulfilled most of these responsibilities. As a result, he said the report does not provide a complete, balanced, or accurate picture of how OIRA is carrying out its PRA responsibilities.

For example, the Acting Administrator said the report suggests that OIRA has never directly informed Congress that the burden-reduction goals stated in the PRA are unlikely to be met, or that the agencies believe that the goals cannot be met given current statutory requirements. However, he noted that OMB has, for each year since the 1980 PRA, published an Information Collection Budget that sets forth the previous year's baseline, the current year's accomplishment, and the future year's targeted goal for paperwork burdens. Moreover, he said OIRA has, for the past 3 years, informed Congress through formal and informal contacts that the general paperwork burden-reduction goals are unlikely to be met and that they could not be met given current statutory requirements.

In addition, the Acting Administrator said the report suggests that agencies will not be motivated to meet the statutory governmentwide 10 and 5 percent annual burden-reduction goals because OIRA sets the agency-specific burden-reduction goals in the annual Information Collection Budget at the level that OMB and the agencies' expect the agencies' paperwork burden to be by the end of the upcoming fiscal year. He said that this conclusion does not take into account the fact that the PRA itself establishes the procedure under which OMB and the agencies establish their annual paperwork burden-reduction goals. Specifically, he said, the PRA directs OMB, in consultation with each agency, to set an annual agency goal to reduce information collection burdens that "represent[s] the maximum practicable opportunity in each agency" that is "consistent with improving agency management of the process for review of collections of information" established by the agency's Chief Information Officer. He said this means that each year each agency is to seek to attain the "maximum practicable" paperwork burden reduction consistent with the agency's statutory and program missions and the information management strategy of the Chief Information Officer. The aggregate of each agency's annual goals that is the "maximum practicable" in light of each agency's programmatic and statutory responsibilities may not, and as a general matter has not, totaled to the governmentwide goal.

The Acting Administrator also said this conclusion does not take into account the fact that agency information collections are largely driven by the need to carry out program and statutory missions. If an information collection that an agency submits for OMB review meets the practical utility, burden, and other PRA criteria for approval, he said that OMB does not have authority to disapprove it just because the approval would cause the agency to exceed the agency's paperwork burden reduction goal stated in the Information Collection Budget.

The Acting Administrator said another example involves OMB's implementation of its IRM responsibilities. Under the 1980 and 1995 PRAs, IRM is the broad umbrella under which all of OMB's PRA responsibilities are carried out. However, he said that the report's conclusions appear to be based on a narrow reading of a particular section of the PRA, rather than on a broad reading of the PRA itself.

He also said that OMB's annual performance plans and reports already discuss OIRA's PRA responsibilities and describe the targets by which OIRA's attainment of those responsibilities will be met, and he said that OIRA has the resources adequate to meet its many responsibilities. Finally, he suggested a number of technical and clarifying changes in the report.

Our Evaluation of Agency Comments

In relation to the Acting Administrator's first point regarding the scope of our review, we clearly stated in several places in the draft report, including the title, that the report discusses only selected OIRA responsibilities under the PRA. The "Objectives, Scope, and Methodology" section of the report says "[w]e focused our review solely on OIRA's implementation of the specific responsibilities delineated in the objectives. We did not examine the implementation of OIRA's other PRA responsibilities, including its responsibilities in the areas of federal information technology, records management, and statistical policies." The first sentence of the "Conclusions" section states that "[t]his report examines some, but not all, of OIRA's specific responsibilities under the 1995 PRA." Also, in the "Background" section we noted that OIRA has many other statutory and executive order responsibilities related to regulatory management, and we specifically delineated OIRA's responsibilities under UMRA, SBREFA, and other statutes. Therefore, we believe that the report makes clear its scope limitations, and it also provides the context needed to understand the complexity and breadth of the PRA responsibilities on which we focused.

We have issued other reports and testimonies related to OIRA's PRA responsibilities that were outside of the scope of this report and that criticized OIRA's performance in those areas. Therefore, even if this report had been expanded to address these other responsibilities, there is no assurance that the report would have, as the Acting Administrator suggests, reached a different conclusion regarding the extent to which OIRA had fulfilled those responsibilities. For example, in September 1996 we reported that although OMB had taken some steps to improve information security, its oversight efforts were uneven and OMB "generally did not proactively attempt to identify and promote resolution of fundamental security program weaknesses that are likely to be at the root of these problems."²³ We have also previously reported concerns about OMB's capacity to coordinate the budgets and statistical activities of the agencies in the federal statistical system.²⁴

Furthermore, we believe that the PRA responsibilities on which we focused (e.g., establishment of burden-reduction goals and development of IRM strategic plans) are central to the successful implementation of the act. Within those areas, we believe that the report presents a complete, balanced, and accurate picture of OIRA's actions and, in several cases, its lack of action.

The Acting Administrator indicated that OMB's Information Collection Budgets have kept Congress and congressional committees informed regarding progress toward the burden reduction goals in the PRA, and he said that OIRA has informed Congress through "formal and informal contacts" that the goals are unlikely to be met because of current statutory requirements. We called the Acting Administrator to determine what "formal and informal contacts" he was referring to in his comments, and he said that OIRA officials had told both majority and minority congressional staff that the PRA's burden-reduction goals were unlikely to be met. However, he said that OIRA had never communicated that conclusion to Congress or congressional committees in any testimonies, letters, or other written documents. Also, although the ICBS in OIRA's annual reports contain information on governmentwide progress toward the burden-reduction goals envisioned in the PRA, those documents do not clearly state that the goals are unlikely to be met or that existing statutory requirements are the reason.

²³Information Security: Opportunities for Improved OMB Oversight of Agency Practices (GAO/AIMD-96-110, Sept. 24, 1996).

²⁴Statistical Agencies: Adherence to Guidelines and Coordination of Budgets (GAO/GGD-95-65, Aug. 9, 1995).

The Acting Administrator indicated that the PRA requires OIRA to set agency burden-reduction goals at the levels that the agencies believed represented their “maximum practicable opportunity,” and that these goals may not total to the governmentwide goal. We continue to believe that Congress, when it enacted the PRA, envisioned a relationship between the governmentwide goals and the agency specific goals. If OIRA believes that agencies’ statutory and program missions make achievement of these interrelated goals unattainable, or that the PRA’s requirements regarding governmentwide and agency specific goals are inconsistent, OIRA should notify Congress of its conclusions. To date, OIRA has not done so. We also continue to believe that agencies will not be motivated to improve their performance in reducing paperwork burden by OIRA’s practice of setting agency-specific goals after 10 months of the fiscal year have passed at a level that the agencies expect to reach within the next 2 months.

The Acting Administrator’s statement regarding OMB’s inability to disapprove an agency’s proposed information collection simply because it may cause the agency to exceed its burden-reduction goal does not address our intended point. The PRA requires OIRA to set both governmentwide and agency specific burden-reduction goals. The establishment of those goals does not, in any way, inhibit OIRA’s ability to review and, if necessary, disapprove an agency’s proposed collection of information. Similarly, OIRA’s reviews of agencies proposed information collections does not inhibit its ability to establish burden-reduction goals. The act does not require agencies to meet the burden-reduction goals, only that OIRA and the agencies establish them.

In another portion of his response, the Acting Administrator said that “[u]nder the 1980 and 1995 PRAs, IRM is the broad umbrella under which all of OMB’s PRA responsibilities are carried out.” We agree that the 1995 PRA (but not the 1980 act) envisions IRM as a central focus of OIRA’s (and the agencies’) responsibilities under the act. Conceptually, all of OIRA’s responsibilities under the act can be viewed as IRM-related. However, we believe that the requirements that OIRA (1) develop and maintain a governmentwide IRM strategic plan; and (2) oversee, among other things, agencies’ development of their own IRM strategic plans are central elements of OIRA’s IRM responsibilities under the PRA. The act states that both the governmentwide and agency-specific IRM plans are supposed to describe how information resources help accomplish agencies’ missions. It is only within the context of these mission-related plans that the relevance and accomplishment of OIRA’s other conceptually-related IRM responsibilities can be assessed. Therefore, we focused on OIRA’s actions

regarding these plans in this portion of our review. The Acting Administrator did not, in his response, dispute our conclusion that OIRA had not satisfied all of its responsibilities in this area.

The Acting Administrator also said that OMB's annual performance plans and reports under the Results Act already discuss OIRA's PRA responsibilities and describe the targets by which OIRA's attainment of those responsibilities will be met. As we point out in the report, OMB's February 1998 performance plan under the Results Act does not identify the specific strategies and resources that it will use to achieve the performance goal to "work with agencies to reduce paperwork burdens." Also, the plan does not provide performance measures that would allow Congress and the public to determine how well OMB is achieving these goals. Finally, OMB's program performance reports under the Results Act are not due until March 31, 2000. Therefore, we did not change our recommendation.

Finally, we accepted some, but not all, of the Acting Administrator's technical and clarifying changes to the draft report. For example, at his suggestion, we noted that the Clinger-Cohen Act amended parts of the PRA. We also clarified the scope of some of the headings in the report.

As agreed with your office, unless you publically announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies to the Ranking Minority Member of the Senate Committee on Governmental Affairs' Subcommittee on Oversight, Restructuring and the District of Columbia; other interested committees; and the Director of OMB. We will also make copies available to others upon request. Major contributors to this report were Curtis Copeland, Assistant Director; and Elizabeth Powell, Evaluator-in-Charge. Please contact me at (202) 512-8676 if you have any questions.

Sincerely yours,



L. Nye Stevens
Director, Federal Management
and Workforce Issues

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