




EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

ADMINISTRATOR
OFFICE OF
INFORMATION AND
REGULATORY AFFAIRS

June 22, 2012

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Cass R. Sunstein 
Administrator

SUBJECT: Reducing Reporting and Paperwork Burdens

Eliminating unjustified regulatory requirements, including unjustified reporting and paperwork burdens, is a high priority of this Administration. The purpose of this Memorandum is to direct agencies to take further steps to achieve that goal.

Executive Order 13610, *Identifying and Reducing Regulatory Burdens*, requires agencies to take continuing steps to reassess regulatory requirements and, where appropriate, to streamline, improve, or eliminate those requirements. Executive Order 13610 emphasizes that agencies should prioritize “initiatives that will produce significant quantifiable monetary savings or *significant quantifiable reductions in paperwork burdens*” (emphasis added). It also requires agencies to “give special consideration to initiatives that would reduce unjustified regulatory burdens or simplify or harmonize regulatory requirements imposed on small businesses.” Finally, Executive Order 13610 requires agencies to focus on “cumulative burdens” and to “give priority to reforms that would make significant progress in reducing those burdens.”

Consistent with the Paperwork Reduction Act of 1995 (PRA) and Executive Order 13610, agencies should take meaningful steps to reduce paperwork and reporting burdens on the American people, including small businesses. For example:

1. **Eliminating redundant or unnecessary collections.** In some cases, information collections are not necessary, and in other cases, they are redundant. Agencies should eliminate unnecessary and redundant collections. They should also, where appropriate, streamline existing collections (as, for example, by reducing the number of questions and increasing simplicity).
2. **Use of “short form” options.** Significant burden reductions can be achieved by providing respondents the option of using streamlined short forms for situations of lesser complexity or importance.

3. **Exemptions or streamlining for small entities (including small businesses).** Because of economies of scale, a collection may be disproportionately more burdensome for a small entity than a large one. Important burden reduction efforts may involve exemptions of small entities from reporting requirements, or streamlined requirements for such entities (as in the case of short or simplified forms).
4. **Simplified applications.** The process of renewing or applying for federal licenses or approvals, or for participation in federal programs, can be time-consuming, confusing, and unnecessarily complex. Undue complexity may discourage applications and participation. Sometimes agencies collect data that are unchanged from prior applications; in such circumstances, they might be able to use, or to give people the option to use, pre-populated electronic forms. It is also worth considering whether it might be appropriate and possible, in certain circumstances, to dispense with forms entirely and to rely on more automatic or direct approval.
5. **Use of sampling.** Sampling may be useful when it is not possible or desirable to collect data from every member of the population of interest. Respondent burden, cost, and operational feasibility may justify sampling. When the benefits of collecting information from an entire population do not justify the costs, agencies should consider whether it is appropriate to use sampling for program evaluations and research studies.
6. **Use of electronic communication and “fillable fileable” forms (or data systems).** Electronic communication can substantially reduce burdens on respondents and simultaneously increase efficiency in data collection and processing.
7. **Reducing frequency of information collection.** Agencies should reexamine the frequency of routine reporting requirements to determine whether less frequent reporting would meet program needs.
8. **Reducing record retention requirements (consistent with law).** Administrative record retention requirements can often be costly, as regulated entities must set aside valuable storage space, time, and human resources to maintain records.
9. **Maximizing the re-use of data that are already collected.** Administrative or program data can sometimes be re-used or shared to reduce the paperwork burdens imposed on the public. Consistent with guidance¹ issued by OMB on May 18, 2012, agencies can often use administrative data (such as data on wages, emergency room visits, or school attendance) to conduct rigorous program evaluations without using additional data collection instruments.

Action Required

Executive Order 13610 requires regular reporting on agency efforts to streamline, improve, and eliminate regulatory requirements. Under that Executive Order, the next reports are due on

¹ See OMB M-12-14, “Memorandum for the Heads of Executive Departments and Agencies: Use of Evidence and Evaluation in the 2014 Budget,” May 18, 2012, available at <<http://www.whitehouse.gov/sites/default/files/omb/memoranda/2012/m-12-14.pdf>>

September 10, 2012. As part of these reports, each agency should list at least three new initiatives, producing significant quantified reductions in paperwork and reporting burdens.

It is understood that what counts as “significant quantified reductions” will vary with context. Agencies that impose unusually high paperwork burdens will have correspondingly larger opportunities for reducing burdens. Agencies that now impose high paperwork burdens² should attempt to identify at least one initiative, or combination of initiatives, that would eliminate two million hours or more in annual burden. All agencies should attempt to identify at least one initiative, or combination of initiatives, that would eliminate at least 50,000 hours in annual burden.

Consistent with the Paperwork Reduction Act and Executive Order 13579, independent agencies are requested, in connection with their own efforts to eliminate unjustified regulatory requirements, to give careful consideration to this memorandum and to take meaningful steps to reduce paperwork and reporting burdens on the American people

If you have questions, please contact your agency’s desk officer within OMB’s Office of Information and Regulatory Affairs.

² In Fiscal Year 2010, the eight agencies that imposed the highest paperwork burdens were the Department of Treasury, the Department of Health and Human Services, the Securities and Exchange Commission, the Department of Transportation, the Environmental Protection Agency, the Department of Homeland Security, the Department of Labor, and the Department of Agriculture.