

FDIC Staff Comments on Draft Recommendations for the Paperwork Reduction Act

Any reform or amendment of the Paperwork Reduction Act that gives the agencies more flexibility and authority in the information collections area would be a welcome step toward reducing the costs and delays inherent in the current review process. Therefore, adoption of recommendations 1, 4, 6, and 7 would help achieve the PRA's goals in a more efficient manner. It is questionable whether the additional OMB/OIRA training under recommendation 8 would be beneficial unless the training focused only on those changes that are actually implemented, because additional training usually leads to even more directives, clarifications, and burdensome requirements for the agencies. However, in the event the recommendations are not adopted—particularly those presented in recommendations 1, 4, and 5—OIRA staff should be expanded to facilitate more timely review of agency submissions.

Although Professor Stuart Shapiro's report recommends against exempting voluntary collections primarily because of the difficulty in defining a collection as "voluntary" and the value added by OMB review of statistical surveys—84% of which are described by agencies as voluntary—we nevertheless recommend an exemption for voluntary surveys that do not employ statistical methodology and that are intended to gather only qualitative information from a limited number of respondents (e.g., 25 or fewer), who are chosen for their knowledge or experience about a particular problem or key issue. Any such exemption for voluntary surveys would facilitate the ability of agencies to collect useful information to guide their policy making efforts and other initiatives designed to meet the needs of target populations.

The following additional recommendations—although not included in Professor Shapiro's report—are offered for consideration as other means of improving the PRA's efficiency:

- Require the sponsor of an information collection to take the burden for all entities subject to an information collection rather than just the entities it regulates. If one of the goals of PRA is to minimize government-imposed paperwork burden, it seems obvious that, in developing regulations, the agency imposing the burden should factor into its decision making process an understanding and acknowledgment of a rule's total impact, instead of relying on a myopic view of the rule's impact on only a segment of the impacted population. For example, nearly 50% of the FDIC's total paperwork burden (6,810,604 of 13,760,170 hours) is attributable to regulations issued by other agencies, and over which the FDIC has no control.
- In addition to looking at ways to streamline the public participation requirements for renewal of information collections with no significant changes, existing collections submitted for renewal with no changes other than an adjustment to the number of respondents should be deemed automatically approved if OMB has not acted on the collection within 60 days of submission. Absent any change to the substance of the collection, it is difficult to justify a delay in renewal of the collection.
- In order to avoid delayed implementation of paperwork requirements for information collections contained in rules, the agencies and OMB should explore ways to expedite OMB review of the final rule in cases where OMB, rather than pre-approving the request at the proposed rule stage, files a comment requesting that the agency resubmit its request at the final rule stage.