October 17, 2001

OMB BULLETIN NO. 02-02

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Fiscal Year 2002 Information Collection Budget

1. **<u>What is the purpose of this Bulletin?</u>** This Administration is committed to reducing the burden on State, local, and tribal governments, on business and industry, and on individuals that results from the Federal Government's insatiable need for information. This is not to say that information is not needed for the government to run smoothly and effeectively. It is to say that we can reduce duplication and overlap, simplify information collection, use electronic tools, and in some cases simply eliminate information collection that is outdated or lacking utility. In this bulletin, we are asking for your help to begin this effort.

   First, we ask you to submit information that we will use to compile the FY 2002 Information Collection Budget. In the interests of reducing the administrative burden of the ICB on you, we have significantly reduced from previous years the amount of information we are requesting.

   Second, we are asking you to begin an effort within your agency to improve the efficiency of information collection in your programs and to reduce burden on the public. We are asking you to conduct comprehensive program reviews in order to identify specific areas to target for change. We would like you to select targets where reductions in burden can be achieved and develop a timetable for action. This exercise will take some effort on your part, and OIRA staff will be available to help you in any way they can. The outcome, however, will ultimately be improvement in the way that we collect information from the public and a reduction of current burdens. This is a promise the President has made to the American people, and we are asking you to help us honor that promise.

2. **<u>When are responses to the Bulletin due?</u>**

   A. Initial submissions under Appendix A are due to OIRA by Friday, November 30, 2001.

   B. Progress Reports under Appendix A are due to OIRA by Friday, February 1, 2002, and the first day of every other month thereafter, until the initiative is complete.

   C. Submissions under Appendices B and C are due to OIRA by Friday, February 1, 2002.

3. **<u>Who must respond to this Bulletin?</u>** We ask the following agencies to comply with the requirements of this Bulletin:

Department of Agriculture
Department of Commerce
Department of Defense
Department of Education
Department of Energy
Department of Health and Human Services
Department of Housing and Urban Development
Department of the Interior
Department of Justice
Department of Labor
Department of State
Department of Transportation
Department of the Treasury
Department of Veterans Affairs
Environmental Protection Agency

If your agency is not listed here, you do not need to do anything under this Bulletin.

4. <u>What must my agency's submission include?</u> We ask you to submit the following information:

A. A detailed description of agency initiatives and regular progress reports, in accordance with the instructions in Appendix A;

B. Your agency's Information Collection Budget submission and supporting material, prepared in accordance with the instructions in Appendix B; and

C. Data regarding your agency's compliance with the information collection provisions of the Paperwork Reduction Act, prepared in accordance with the instructions in Appendix C.

All submissions should be consistent with OMB fiscal and policy guidance.

5. <u>In what format should the CIO provide this information to OMB?</u> Please provide your submission electronically on a 3.5" diskette with a hard copy of the cover letter from your CIO. Please label the diskette with the agency name and the filenames of the submission. Please use the following file formats.

A. Where this Bulletin instructs you to prepare a table, you should submit the table in one of the following formats, in order of preference:

(1) Microsoft Excel 97 or earlier;

(2) Lotus 1-2-3, Release 9 or earlier; or

(3) A dot-delimited ASCII file (a "." separates each cell in a row).

B. In Appendix B, where this Bulletin instructs you to prepare descriptions of program changes, if you have Microsoft Access, please use the file template OIRA will provide to you on request.

C. Otherwise, you should submit the information requested in one of the following formats, in order of preference:

(1) WordPerfect, version 8.0 or earlier; or

(2) Microsoft Word 97 or earlier.

6. **What is the legal authority under which OMB is requiring this information?** This Bulletin is issued pursuant to the Budget and Accounting Act of 1921, as amended; the Budget and Accounting Procedures Act of 1950, as amended; and the Paperwork Reduction Act of 1995, as amended.

7. **Where must these submissions be delivered?** We ask you to provide the information requested under this Bulletin by the dates specified in question 2 to:

Nathan Knuffman
The Office of Information and Regulatory Affairs
The Office of Management and Budget
725 17th Street, NW - Room 10202
Washington, D.C. 20503

8. **Will OMB conduct hearings on my agency's submission?** OMB will schedule, as needed, hearings with an agency to discuss its proposed initiatives and its progress toward burden reduction goals and agency compliance with the Paperwork Reduction Act.

9. **Who should I contact for further information?** Questions about specific agency matters should be directed to your agency's Desk Officer within OMB's Office of Information and Regulatory Affairs.

Questions about this Bulletin should be directed to Nathan Knuffman, tel. (202) 395-6466, email: nknuffma@omb.eop.gov.

10. **When does this Bulletin expire?** This Bulletin expires September 30, 2003.

/s/
Mitchell E. Daniels, Jr.
Director

Attachments

Bulletin No. 02-02
Appendix A

BURDEN REDUCTION INITIATIVE

1. **What is the purpose of this Appendix?** As we said in the FY 2001 Information Collection Budget, "OMB plans to ensure that the heads of agencies include the Paperwork Reduction Act (PRA) as an integral part of their management strategies, and to encourage [Chief Information Officers (CIOs)] to give the PRA clearance process more attention." This appendix is the first step in this effort. It explains what information you need to prepare to describe your agency's proposed initiatives to improve program performance by enhancing the efficiency of information collections and reducing burden on the public. This proposal, due November 30, 2001, should represent the collective effort of the entire agency to identify targets of opportunity and the commitment of the agency leadership to see these initiatives to their successful completion. This appendix also requires a regular progress report describing steps taken to move forward with your agency's initiatives, due on the first of every other month, starting February 1, 2002.

2. **What is an appropriate initiative in response to this Bulletin?** We ask you to identify at least two major initiatives to improve program performance by enhancing the efficiency of information collections and to reduce paperwork burden on the public. We seek initiatives that:

   A. Improve program performance by enhancing the efficiency of agency information collections (both within the agency and, in the case of related information collection activities, among agency components or across agencies);

   B. Significantly reduce the burden per response on the public; or

   C. Lead to an comprehensive review of an entire program (both within the agency and, in the case of related information collection activities, among agency components or across agencies), including regulations and procedures.

3. **What information about these initiatives must we submit?** We ask that your initial submission include the following:

   A. A complete description of the programs that you will be affecting, including statutory and regulatory citations, a description of the affected public, and the agency structure that implements the program (both within the agency and, in the case of related information collection activities, among agency components or across agencies).

   B. Measurable objectives you expect to achieve through this initiative.

C. Proposed timeline for actions that you will take.

D. Perceived difficulties in accomplishing this initiative, including statutory or policy barriers.

4. **<u>What information must we include in the regular progress reports?</u>** We ask that your progress report include a status report based on your initial timetable, any new information that will affect your ability to complete the initiative, and, reflecting this progress, an updated timetable.

INFORMATION COLLECTION BUDGET (ICB)

1. **What is the purpose of this Appendix?** This appendix explains what information you will need to gather from within your agency to develop your Information Collection Budget (ICB) submission for FY 2002 and what you must submit to OMB and how.

This appendix is significantly changed from last year's. In the interest of reducing burden on the agencies, we have reduced the amount of information each agency must provide. We will rely more on the database records that we maintain and expect that each agency will make every effort to ensure the accuracy of that information.

2. **What do I need to do first?** The first thing you should do, upon receipt of these instructions, is review the monthly inventory of information collections that you receive from OMB. We will publish our database's number for September 30, 2001, as the burden total for FY 2001. Therefore, you need to make sure our database records are accurate and consistent with your records. If there are discrepancies between your agency's records and our database, you will need to work with your OIRA desk officer to determine the cause of the discrepancy and the appropriate remedy. Please pay special attention to the cost estimates. **(Remember the 83-I and our computer tracking system record costs in thousands of dollars, not dollars.)** Submit any corrections to our database to your OIRA desk officer on a Form 83-C with a complete explanation.

3. **What do I need to know before I start working on the ICB submission?**

A. **Burden Reduction Goals:** While the PRA does not specify a statutory burden reduction goal for FY 2002, you still need to make every effort to ensure that your agency will achieve the "maximum practicable" reductions given your agency's statutory and programmatic responsibilities.

B. **Agency Initiatives:** In the cover letter to your agency's submission under this Bulletin, the CIO should describe agency initiatives that have resulted or will result in specific burden reduction. These initiatives should be reflected in your ICB submission.

C. **Categorizing Burden Changes:** We ask you to report on significant program changes for FY 2001 and FY 2002 in different categories for the purpose of giving greater detail on your agency's most significant burden changes. You should look at these categories and keep them in mind when you request information from within your agency.

D. **Dollar Costs:** Many agencies now report paperwork burden in terms of dollar costs, as well as burden hours. For example, the burden of a regulatory recordkeeping requirement is more readily estimated in terms of the dollar cost (e.g., for the space and equipment needed for storage) than time. Similarly, the burden of a third-party disclosure (e.g., the table describing the nutritional content of packaged foods on food containers) is also more readily estimated in terms of cost. (These dollar costs are separate from hour burdens and are not hour burdens that are converted into dollars.) Starting with the 1999 ICB, we reported both the hour and financial burdens of information collections as you reported them in your information collection requests. Thus, when discussing burden, you should include, as appropriate, both burden hours and dollar costs.

4. **How do I begin working on the ICB?** Work with the program officials in your agency to identify all significant program changes in FY 2001 and potential program changes in information collection activities in FY 2002. Make sure you have, for each change, an OMB number (if assigned), the expected program change in burden hours and costs.

5. **What does "significant" mean?** Significant burden reductions are those that demonstrate the agency's adherence to the principles of the Paperwork Reduction Act and have a meaningful impact on the burden imposed on the public. Significant burden increases are generally those that have a meaningful impact on the public. **Significant burden changes do not include adjustments, only program changes.** We request that you limit discussion to program changes of 10,000 hours and/or $10,000,000 or greater.

6. **What kinds of burden reductions and increases should I describe?** We are splitting information on program changes into several categories. Please assign each change to only one of the following categories. If two or more categories could apply to a single change, select the category that is most appropriate. Do not report on adjustments or on changes due to a lapse in OMB approval except where an information collection has been discontinued and will not be undertaken in FY2002..

A. Burden reductions should be placed into one of the following six categories.

(1) **Changing Regulations:** reducing information collection burden by revising existing regulations to eliminate unnecessary requirements or by completely changing the way you regulate;

(2) **Cutting Redundancy:** reducing information collection burden by raising reporting thresholds to reduce the number of reports that need to be submitted, cutting the frequency of periodic reporting requirements, consolidating information collections, or working together with other agencies to share information across programs;

(3) **Changing Forms:** reducing burden by simplifying and streamlining forms, making them easier to read and fill out and by making programs easier to apply for;

(4) **Using Information Technology:** reducing burden by putting in place electronic systems that can speed the exchange of information between the government and the public and allow respondents to use their own information technology to ease reporting burdens;

(5) **Statutory Reductions:** reducing burden because of recently enacted statutes; and

(6) **Other:** reducing burden through other agency efforts.

B. Burden increases should be placed into one of the following two categories:

(1) **Statutory Increases:** Increasing burden due to new statutory requirements (see question 7 for more information; and

(2) **Other:** Increasing burden due to other factors.

7. **<u>When can we attribute a program change to a new statutory requirement?</u>** You should only attribute a program change to a new statutory requirement when the information collection directly related to a statute enacted within the last five years (i.e., after January 1, 1997). This should not include increases in burden due to long-standing statutory mandates or recurring statutory requirements. You may, however, include changes if this is the first time your agency is implementing a statute that has been law for many years. Please consult your OIRA desk officer if you are uncertain.

8. **<u>What information do I need to describe these changes?</u>** At a minimum you will need to provide the following:

A. title of the collection and/or title of the initiative;

B. purpose of the collection (including from whom you collect the information, what information you collect prior to the change, and, if the collection is not a recordkeeping requirement or a third-party disclosure, how your agency uses the information collected);

C. what is/was changed, how it affected burden, and if part of a broader agency initiative;

D. the change in burden (hours and costs, program changes only); and

E. for statutory increases and reductions, the full name of the statute and public law number.

9. **<u>How should I report this information?</u>** OIRA will make available file templates for your to use to capture this information. The preferred format will be Microsoft Access, but templates will be available in WordPerfect and Microsoft Word as well. In general, we ask you to follow the format provided below for FY 2001. Repeat for FY 2002.

   In all cases, each entry should be no more than 100 words and should be in plain language understandable to a member of the public not familiar with your programs. Avoid the use of acronyms or "jargon."

<u>Reductions:</u>

Changing Regulations

OMB #:

Title:

Purpose of the Collection:

How Reduction Achieved:

Change in Burden:

Cutting Redundancy

OMB #:

Title:

Purpose of the Collection:

How Reduction Achieved:

Change in Burden:

Changing Forms

OMB #:

Title:

Purpose of the Collection:

How Reduction Achieved:

Change in Burden:

Using Information Technology

OMB #:

Title:

Purpose of the Collection:

How Reduction Achieved:

Change in Burden:

Statutory Reductions

OMB #:

Title:

Purpose of the Collection:

How Reduction Achieved:

Change in Burden:

Statute Title and P.L. #:

Other

OMB #:

Title:

Purpose of the Collection:

How Reduction Achieved:

Change in Burden:

<u>Increases:</u>

Statutory Increases

OMB #:

Title:

Purpose of the Collection:

Why Increase Occurred:

Change in Burden:

Statute Title and P.L. #:

Other

OMB #:

Title:

Purpose of the Collection:

Why Increase Occurred:

Change in Burden:

10. **May I include more than one example for each category? Do I need to include one example for each category?** You may include more than one example under each category, but you should try to have at least one example for your agency for each. Do not include any examples more than once. Please try to limit the total number of examples to 15 per fiscal year.

11. **How does this tie in to the burden reduction initiatives required by this Bulletin?** You should specifically mention whether the example is related to your agency's burden reduction initiatives under "How Reduction Achieved".

<u>Compliance with the Information Collection Provisions of the Paperwork Reduction Act of 1995 and 5 C.F.R. 1320</u>

1. **<u>What does this Appendix require?</u>** This appendix explains what you must submit to OMB to report violations of the information collection provisions of the Paperwork Reduction Act (PRA) of 1995 and OMB's implementing regulations, 5 C.F.R. 1320, over the last fiscal year and what actions you have been taking to resolve violations identified in past years and this year. OMB is required to report PRA violations to Congress and will report the information you submit in the *Information Collection Budget of the United States, Fiscal Year 2002*. See Appendix B of the *Information Collection Budget of the United States, Fiscal Year 2001*.

2. **<u>What information do I need to collect?</u>** We ask you to compile information on all of the violations of the PRA committed by your agency, during Fiscal Year 2001, including violations due to the expiration of OMB approval for an ongoing collection as well as violations from undertaking a new or revised collection without OMB approval. This includes violations listed in previous Information Collection Budgets that had been unresolved as of September 30, 2000.

   For each violation you should know:

   (1) why the violation occurred;

   (2) when the violation occurred;

   (3) how the violation was discovered;

   (4) what actions have been or will be taken to remedy the violation; and

   (5) when the violation was or will be remedied.

3. **<u>How do I report this information to OMB?</u>**

   Compile the information in question 2 into two tables. The first table will list only those violations due to the expiration of a OMB approval while the collection was still being conducted. The second table will list all other violations.

   (1) Create the first table with a column for each of the following items in this order: OMB number; title; date of expiration; date of reinstatement; and date discontinued. List each collection in numerical order by OMB number. If the

collection has or will be reinstated, leave the last column blank. If the collection was discontinued instead of reinstated, leave the "date of reinstatement" column blank and give the date the collection was discontinued in the final column.

(2) Create the second table with a column for each of the following items in order: OMB number; title; description of the violation; and how discovered and remedied. Again, list each collection in order of OMB number. Give the four digit prefix under which the collection would have been listed if an OMB number was never assigned. Under "description of the violation," give a brief phrase which says what was done wrong. Under "how discovered and remedied," briefly describe how the violation was discovered and what actions are being or were taken to correct the violation. Indicate if an information collection request has been submitted to OMB or, if OMB has already taken action, give the action date. **Note:** if you do not use Microsoft Excel, please use a word processor to create this table. See Table B.3 of the *Information Collection Budget of the United States, Fiscal Year 2001* as a model for this table.

4. **What additional materials will you provide us?** To assist you in reviewing your agency's actions over FY 2001 for PRA violations, OMB will send at the end of FY 2001 a list generated from the official computer records. The list will detail collections that expired during the last fiscal year and had not been reinstated as of September 30, 2001, and collections that were reinstated during the fiscal year. These lists are for your information only. Do not report on collections that are **not** in violation.