

The Inside Story**OIRA Requires Data Form Testing**

Posted: August 9, 2012

EPA and other agencies will have to test their data collection forms before releasing them to the public, according to a new requirement from the White House Office of Information & Regulatory Affairs (OIRA), which cites testing of EPA's fuel economy label as a good example of pre-release review.

One source says the new requirement is "restating and reemphasizing" the original goal of the Paperwork Reduction Act (PRA), which was designed to reduce paperwork burdens on regulated industries.

Cass Sunstein, the outgoing administrator of OIRA -- the regulatory review arm of the White House Office of Management & Budget -- sent an [Aug. 9 memorandum](#) to the heads of federal departments and agencies saying federal information forms can, "if poorly designed or unduly complex . . . prove difficult and confusing, especially for individuals and small businesses. Unnecessarily burdensome paperwork requirements can undermine economic and other goals."

Among the types of forms Sunstein lists as examples are forms for obtaining permits, licenses, benefits and grants. It also likely includes information collection requests (ICRs), which are data collection efforts that EPA routinely sends to industries to collect information on releases and obtain other data that it might then use in developing a sector-specific rule.

Sunstein, who is [departing OIRA](#) later this month, says in his memo that the PRA requires federal agencies to reduce the burden on those providing the information. He notes that it is a "continuing challenge for agencies to minimize complexity and confusion" in ICRs, and that the memo aims to help by requiring testing to ensure that forms are "sufficiently clear and comprehensible."

Advance testing could take the form of focus groups, web-based experiments or random controlled experiments, Sunstein says. "When renewing information collection requests, agencies shall, to the extent feasible and appropriate, compile actual evidence about the burden imposed by those requests, and refine or simplify the requests on the basis of such evidence," he says.

In an [Aug. 9 blog post](#), Sunstein cites as a good example of advance testing outreach by EPA and the Department of Transportation in 2011 on new fuel economy labels that provide more information on vehicles. "The new labels followed an extensive process of testing, to see what really would be most useful for consumers. In the future, we will be engaging in similar testing for forms, increasing simplicity, reducing confusion, and saving time," according to Sunstein's blog post.

Jim Tozzi, a former OIRA administrator, said in an Aug. 9 interview that the memo is a "wonderful" development as ICRs can impose massive paperwork burdens on small businesses.

"For small businesses, their biggest problem is not necessarily the type of regulation, it's the paperwork they have to do to comply," said Tozzi, who now serves on the advisory board of the Center for Regulatory Effectiveness, which promotes cost-benefit analysis in regulatory review, among other things.