

CHAMBER OF COMMERCE  
OF THE  
UNITED STATES OF AMERICA

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Ms. Brooke J. Dickson  
Policy Analyst  
Office of Information and Regulatory Affairs  
Office of Management and Budget  
Room 10236  
New Executive Office Building  
Washington, D.C. 20503

**RE Comments on Proposed Guidelines for Ensuring and Maximizing the Quality,  
Objectivity, Utility, and Integrity of Information Disseminated by Federal Agencies**

Dear Ms. Dickson:

These comments are being filed on behalf of the U.S. Chamber of Commerce (U.S. Chamber), which is the world's largest business federation, representing more than three million businesses of every size, sector, and region. The U.S. Chamber believes that the "Proposed Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by Federal Agencies" ("proposed guidelines") do not implement the intent of Congress. The guidance provided by the Office of Management and Budget ("OMB") merely restates the goals of the statute as its guidance to agencies. This is not sufficient direction for ensuring that agencies disseminate data that is objective, useful, and of high quality and integrity.

**Background**

Recent studies estimate the compliance costs of federal regulations at more than \$700 billion annually and project substantial future growth of regulations even without the enactment of new legislation. Regulatory compliance costs are passed along in the form of higher prices for goods and services, higher taxes, reduced wages, stunted economic growth, and slow technological innovation. The U.S. Chamber has been a longstanding advocate for changes to the federal regulatory process that will help ensure that rulemaking and other activities of federal agencies are based on the best available scientific data and that the costs and impacts of regulations are fully described.

During the last few years, Congress has clearly demonstrated a commitment to ensuring that the vast government data collection and dissemination machine operates to ensure the public has access to the data that forms the basis for laws and regulations, and that such data is sound. These statutes include provisions that were enacted as part of the FY 2001 Treasury and Postal Appropriations Act; the 1999 Omnibus Appropriations Act; the Truth in Regulating Act; the Congressional Review Act; and the Paperwork Reduction Act of 1995. Each of these statutes

imposes requirements on federal agencies to ensure that their administrative and rulemaking activities use sound science, evaluates costs and benefits, and that the public has access to the data used by the agency during the process of its rulemaking and that such data is reliable.

## II OMB's Proposed Guidelines on Data Dissemination

Under the proposed guidelines, OMB is to provide guidance to all federal agencies to ensure that they maximize the quality, objectivity, and utility of information disseminated and on which regulations are based. The data quality provisions are to assure Congress, the private sector, and the public, that agencies act to use the best possible information as the basis for federal regulations. It also provides a process by which inaccurate or incomplete federal data can be corrected. Therefore, the data quality provisions further ensure that the data issued and disseminated by an agency is of good quality, objective, useful, and has integrity.

The U.S. Chamber believes OMB's proposed guidelines fail to implement Congressional intent. The proposed guidelines merely direct federal agencies to establish data quality procedures, and report progress to OMB. OMB does not elaborate on procedures for accomplishing these goals. This is not sufficient guidance for agencies to undertake this most important task of ensuring the data disseminated is of high quality, accurate, useful and having integrity. The proposed guidelines need to be supplemented to address four serious deficiencies:

1. *The terms "quality", "objectivity", "utility" and "integrity" of information must be defined* - These are the essential terms of the statute. Without standard definitions each agency will define these terms to support either the existing information dissemination process or the political process by which it desires to disseminate information. Without standards from OMB any agency information dissemination process will be acceptable to OMB. This does not satisfy congressional intent.
2. *The quality of the data should be disclosed at the time of dissemination* - Pursuant to Section 515, agencies are required to issue guidelines to ensure and maximize the "quality, objectivity, utility, and integrity of information" disseminated by federal agencies. Moreover, Section 515 requires agencies to develop a process for reviewing and documenting the quality of the information before it is disseminated, and that agencies should develop a process to attest to the quality of the information it has disseminated. However, the proposed guidelines do not require agencies to indicate the level of quality of the data that is being disseminated.

This provision of the proposed guidance is insufficient. The burden should not be on the private sector and the general public to seek out and investigate the quality of the information being released by federal agencies. Congress intends this burden to fall on the federal government. Full disclosure of the quality of data released by the federal government should be provided with all information disseminated by federal agencies.

3. *OMB must give guidance on administrative mechanisms that protect affected persons* - Congress specifically required OMB to provide guidance to agencies as to what administrative mechanisms are sufficient to allow affected persons to seek and obtain correction of information collected by the federal agencies. OMB's instructions to the agencies to establish such procedures without an explanation of the kinds of procedures that are acceptable are not sufficient guidance. OMB must either establish a uniform standard for all agencies to follow or it must set forth mechanisms for agencies to implement. Otherwise the agencies are subjected to guessing and OMB, without criteria, has no ability to determine the adequacy of agency action.
4. *Independent OIRA review is necessary* - The proposed guidance requires agencies to draft data quality guidelines, but it does not provide any quality control mechanism or independent review of the guidelines that are drafted. The proposed guidelines must be amended to provide that the quality guidelines prepared by federal agencies be reviewed by OMB, before they can be implemented, to ensure that the agency's guidelines meet the minimum requirements of Section 515.

The U.S. Chamber appreciates the opportunity to submit these comments and thanks the OMB for soliciting the opinion of the U.S. business community concerning the proposed guidelines. With the revisions recommended herein, the U.S. Chamber believes the proposed guidelines will implement the will of Congress and improve the operation of the federal regulatory process.

Sincerely,



William L. Kovacs