



Center for Regulatory Effectiveness

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May 29, 2002

Ms. Jennifer J. Johnson
Secretary, Board of Governors
Federal Reserve System
20th Street & Constitution Avenue, N.W.
Washington, D.C. 20551

RE: CRE Comments on Proposed Data Quality Guidelines
(Docket No. R-1121)

Dear Ms. Johnson:

I am writing on behalf of the Center for Regulatory Effectiveness (CRE) to share with you the Center's comments on your agency's recently proposed information quality guidelines, issued pursuant to the Data Quality Act (44 U.S.C. § 3516, note). As you may be aware, the Center had a leading role in passage of the Act and maintains a strong ongoing interest in this important issue. I invite you to visit the CRE website (www.TheCRE.com) for further details.

In light of the deference the public pays to governmental information and its significant role in regulation and resource allocation in both the public and private sectors, the quality of the federal government's information is a matter of critical importance. Consequently, CRE appreciates this opportunity to provide its views and recommendations to the agency in order to achieve the intent of Congress in enacting this new "Good Government" law and of OMB in promulgating its guidelines containing government-wide Data Quality standards (67 *Fed. Reg.* 8452, Feb 22, 2002).

To assist the agency in meeting its obligations under the Data Quality Act and OMB's guidelines, CRE has prepared and enclosed the following attachments:

- (1) CRE General Comments to All Federal Agencies Related to Data Quality Guidelines
 - This paper outlines a number of cross-cutting issues related to Data Quality guidelines which are applicable to all agencies and contains CRE's recommendations on how such issues should be addressed.

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- CRE strongly believes that proper action on these key issues will help ensure that the guidelines issued by the agency are workable, effective, and in keeping with the requirements of both the statute and the government-wide standards set by OMB.
- In the paper, CRE identifies and evaluates a number of agency approaches to these cross-cutting issues. Such examples include positive agency proposals which might be emulated, as well as problematic agency proposals which should be avoided.

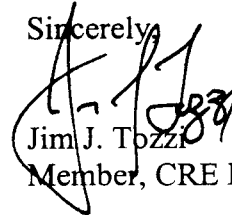
(2) Legal Memorandum on the Data Quality Act's Applicability to All Public Information

- CRE has been troubled by several agencies' attempts in their proposed guidelines to exempt certain categories of public information from the Data Quality Act's standards. Consequently, CRE retained Multinational Legal Services (MLS) to examine this important issue. Attached is a legal memorandum which summarizes the MLS inquiry into the Data Quality Act's applicability to all public information. In short, MLS found:
 - Analysis of the Data Quality Act, the Public Information provisions of the Paperwork Reduction Act, and legislative history demonstrate that Congress intended Data Quality Act standards to apply to all public information.
 - Thus, neither OMB nor any other federal agency has discretion to violate this legislative intent by exempting categories of information from the standards set forth pursuant to the Data Quality Act.

Finally, CRE believes that in light of the ongoing importance of the Data Quality issue, all federal agencies should adopt Data Quality as a Performance Goal in its Performance Plan under the Government Performance and Results Act. Not only would this assist the agency in regularly monitoring and improving its information quality activities, but it would also serve to increase the transparency of the agency process for Congress and the interested public.

CRE would be happy to answer any questions you might have related to its comments and supporting materials. Please contact us at (202) 265-2383, if we might be of further assistance.

Sincerely,



Jim J. Tozzi
Member, CRE Board of Advisors

Attachments