

Insight



The Biden Administration's "Time Tax" Report: Paperwork Reduction Baby Steps

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EXECUTIVE SUMMARY

- On July 10, the Office of Information and Regulatory Affairs released its report on the "Time Tax" detailing recent Biden Administration efforts to reduce administrative burdens for those seeking access to public benefits programs.
- The report, however, only identifies roughly 21 million hours in quantifiable paperwork reductions – out of the current government-wide total of 10.5 billion hours – with several of those estimates involving unclear assumptions or calculations.
- While the actions identified in the report provide some nominally helpful examples of how to address administrative burdens, their relatively limited nature demonstrates the need for more structural and sustained reform efforts through additional executive and legislative policy changes.

INTRODUCTION

On Monday, the Office of Information and Regulatory Affairs (OIRA) released its [report](#) entitled "Tackling the Time Tax: How the Federal Government is Reducing Burdens to Accessing Critical Benefits and Services." The report's primary purpose is to provide an update on agencies' progress in implementing aspects of the Biden Administration's 2022 [memo](#) regarding "Improving Access to Public Benefits Programs Through the Paperwork Reduction Act" (Improving Access Memo). A key aspect of this initiative involves agencies taking a closer look at how they can alleviate the paperwork burdens they impose on individuals and entities across the nation. This report represents a welcome first step for the administration in that regard. Yet when one compares the roughly 21 million hours of paperwork burden reductions attributed to the report's findings to the approximately 10.5 billion hours currently imposed across all agencies, it becomes clear that there is far more work to do in reducing paperwork burdens.

CURRENT CASE STUDIES

The report highlights a series of six completed "case studies" from various agencies as examples of what the administration seeks to accomplish under its Improving Access Memo. These include:

- Department of Labor (DOL): "Streamlining the process of applying for and receiving UI [unemployment insurance] benefits for eligible unemployed workers through plain language, partnerships with community organizations, translation, and more."

- Department of Agriculture (USDA): “Cutting the time tax for farm loan applications in half through form simplification and online assistance tools.”
- Social Security Administration (SSA): “Digitizing, simplifying, and streamlining an essential form for demonstrating continued eligibility for disability benefits.”
- Department of Education (ED): “Improving the student loan debt discharge process for totally and permanently disabled borrowers to automate eligibility determinations for most disabled borrowers.”
- Department of Housing and Urban Development (HUD): “Modernizing and streamlining income reviews and eligibility determinations to reduce burden on tenants, Public Housing Agencies, housing owners, and local governments.”
- Department of Homeland Security (DHS): “Setting—and Meeting—a Department-wide Burden Target” of 20 million hours in paperwork reductions.

In terms of measurable reductions in administrative burdens, the most prominent action included is the DHS initiative to reduce its paperwork inventory by 20 million hours, or roughly 10 percent of its department-wide total. As of today, the overall DHS total stands at roughly 183 million hours:

DEPARTMENT OF HOMELAND SECURITY TOTALS:				
ACTIVE OMB CONTROL NOS.	TOTAL ANNUAL RESPONSES	TOTAL ANNUAL HOURS	TOTAL ANNUAL COST	
436	1,479,839,638	183,376,901	3,414,121,800	

Thus, going by the baseline that OIRA includes in this report of 203 million hours (as of [Fiscal Year \(FY\) 2021](#)) it would seem that DHS has met that goal. It is worth noting, however, that since a given agency’s paperwork inventory shifts on a daily basis, determining a firm baseline in this area can be difficult. For instance, the [DHS memo](#) directing the relevant subagencies on this effort – issued in the middle of FY 2022 – starts with a baseline of 190 million hours and sets a goal of 170 million hours. Additionally, the [report](#) OIRA cites for its 203-million-hour baseline itself also notes that the DHS total just one year prior (in FY 2020) was 183 million hours. Nevertheless, regardless of the exact topline number, it does appear that DHS has directionally made some strides in reducing its stock of paperwork due to a concerted effort to achieve such a goal.

The other instance where OIRA attaches a measurable figure for paperwork burden hour reduction is in its discussion of the HUD effort to streamline certain housing program eligibility review requirements. Here it notes: “As one example, HUD estimates that eliminating the annual consent form will save 10 minutes per form every year across 4.5 million households. That adds up to at least 750,000 hours of annual ‘time tax’ returned to the American people every year.” As discussed further in OIRA’s case study, the core rulemaking implementing these reforms – the “Housing Opportunity Through Modernization Act of 2016” ([HOTMA](#)) Rule – includes additional program savings. Across a three-year window, the monetized savings described in the rule’s [Regulatory Impact Analysis](#) add up to roughly \$52 million. That analysis, however, does not provide much in the way of direct information on additional time savings.

There are two instances in the case studies where, while OIRA does not ascribe a topline paperwork savings total, it is possible to infer possible impacts based upon the policy changes it describes. The first such instance is the ED effort to consolidate the student loan discharge process for disabled borrowers. The policy change in question comes from a [2022 ED rule](#) that, among other items, would eliminate the regular “income-monitoring requirement” for borrowers with a “total and permanent disability,” finding such a requirement to be effectively extraneous. According to recent [OIRA data](#) on the requirement in question, this represents an 80,000-hour reduction in paperwork.

The second change to which the report largely only alludes comes during the discussion of USDA’s effort to simplify the Farm Service Agency (FSA) loan application process. In this case study, OIRA notes how USDA is consolidating its direct loan application from 10 forms into one, which the agency expects to cut the time involved for applicants by roughly half. Yet in the OIRA paperwork requirement approval [entry](#) regarding this change, the overall burden attached to this requirement increases by more than 10,000 hours. While the beginning of the accompanying [supporting statement](#) makes a point to detail the per-applicant implications of this form consolidation, it appears that various other changes to this paperwork requirement outside of this specific change *added* a time burden that resulted in a net-increase for the program overall. For the sake of examining this specific consolidation, however, eliminating the consolidated forms from USDA’s overall calculations (see the “Reporting and Recordkeeping Requirements” supplementary document found [here](#)) results in a total of 276,613 hours, representing a 19,237-hour decrease from the overall program’s current total of 295,850 hours.

The remaining two case studies provide little evidence that either agency made meaningful adjustments to the paperwork requirements involved, but rather discuss how the agencies have implemented policies to reduce the stress or confusion that applicants to the respective programs face. In the section regarding SSA’s changes to the Continuing Disability Review (CDR) process, OIRA details SSA’s various adjustments to the CDR form; but according to the [most recent data](#), these changes do not materially shift the overall paperwork burden involved. Finally, in the entry regarding DOL’s efforts to simplify the UI application process, OIRA focuses mainly on how DOL is utilizing increased funding from the American Rescue Plan Act to award grants to state and local authorities for the purposes of assisting potential applicants. The only reference made to changes in the application requirements involved comes in a generalized, qualitative discussion of DOL plans to create “new plain language forms and processes to ease the process of applying.”

OTHER EFFORTS

The report also notes a series of “shorter case studies” from several agencies that involve either more limited actions or those that agencies are still developing. These include:

- The State Department seeking to move more of the passport renewal process to an online portal;
- USDA streamlining the eligibility requirements for school meal programs with aim of automatically including more schools;
- The Department of Health and Human Services expanding the pool of families eligible for automatic enrollment in Head Start to include those currently receiving Supplemental Nutrition Assistance Program benefits;
- Burden reduction actions the Department of Treasury took in implementing its COVID-19 Emergency Rental Assistance (ERA) program;
- ED efforts to implement recent legislation that seeks “to streamline and simplify the process of FAFSA

[Free Application for Federal Student Aid] paperwork”;

- Initiatives by the Small Business Administration and Patent and Trademark Office to ease administrative burdens for small inventors and veteran-owned businesses;
- Internal Revenue Service (IRS) plans for “Modernizing the Taxpayer Experience,” such as “exploring a new free, voluntary IRS-run electronic filing system (also called Direct File)”;
- The Department of Veterans Affairs (VA) moving more of its paperwork requirements into a digital format; and
- The United States Agency for International Development’s (USAID) effort to streamline its “*internal* administrative burdens.”

This collection of case studies here varies in terms of effectiveness and relevance. Even in the absence of clear estimates, some of these actions, such as the online passport renewal option or VA digitizing more of its forms, could potentially yield considerable savings. Others, such as the school meal eligibility changes, seem to be more limited in scope with USDA expecting burdens from current paperwork requirements to decline by only [13,534 hours](#). Items such as Treasury’s ERA practices or USAID’s planned adjustments to internal procedures represent possible reforms to bureaucratic morass, even if they do not necessarily move the needle on the paperwork burden issue for the public writ large.

POTENTIAL FOR FURTHER REFORM

The efforts described in this report represent nominal, directional progress on the question of paperwork burdens, but this piecemeal approach yields only limited results. To provide a more consistent check on the expansion of federal paperwork, a more systematic approach is necessary. Thankfully, the potential seeds of such an approach are present here.

The primary example of this approach is the [DHS memo](#) on paperwork-burden reduction discussed above. The memo, drawing clear inspiration from the opening section of the [Biden executive order](#) behind the Improving Access Memo, established where the various sub-agencies constituting DHS stood at the time in terms of paperwork volume and directed each to make a roughly 10-percent cut in that total over the course of roughly a year. It is unclear and perplexing why there was neither a government-wide directive from the administration to make these cuts, nor any agency beyond DHS voluntarily undertaking such a project.

A directive covering at least all agencies directly under the executive branch would hardly be novel, at least on a conceptual level. For instance, in 2012, the Obama Administration [directed each agency](#) “to identify at least one initiative, or combination of initiatives, that would eliminate at least 50,000 hours in annual burden.” While the magnitude of that per-agency goal was laughably minimal in the grand scheme of the federal paperwork situation even then, it demonstrates that such a policy directive has been promulgated before.

Implementing a 10 percent cut, as DHS did in this instance, across all agencies as the opening salvo in establishing a “[paperwork budget](#)” could yield significant results. As noted in a recent American Action Forum [analysis](#) of the latest “Information Collection Budget” report, such a reduction could yield – on the more conservative end of estimates, no less – roughly \$30–\$40 billion in monetized savings. Additionally, while there is little stopping the executive branch from implementing such a program administratively, there would of course be value in Congress codifying such a program via legislation in order to institutionalize it across different administrations.

CONCLUSION

According to this report, recent actions from federal agencies under the auspices of a Biden Administration directive regarding how agencies interact with the public have reduced the national regulatory paperwork burden by nearly 21 million hours. That sum – which, as discussed above, comes from a generous reading of the administration’s findings – is merely a rounding error when it comes to the billions of hours imposed by paperwork requirements currently in place. Addressing an issue of this magnitude will require broader reforms that take a more holistic view of the problem and prescribe measurable goals for agencies to attain.