



**EVALUATING THE PAPERWORK REDUCTION ACT: ARE BURDENS BEING REDUCED?**  
**MARCH 29, 2017**

**AS PREPARED FOR DELIVERY**

Good morning. I call this hearing to order.

While the burden of federal paperwork is felt year round by individuals and small businesses, there is no more relevant time to discuss federal paperwork than in the weeks leading up to Tax Day. Right now, individuals and businesses are pouring over tax forms and mind-numbingly complex instructions to make sure they get things right.

The Paperwork Reduction Act or PRA was enacted in 1980 and amended and reauthorized in 1995. It was aimed at minimizing the burden of federal paperwork, as well as maximizing the usefulness of the information collected. Congress recognized that requests for information imposed significant burdens on the public, and that if information was not used efficiently, it reduced the government's effectiveness as well.

Before requesting or requiring information from the public, the PRA requires federal agencies to seek public comment. Then agencies must submit the proposed collections of information to the Office of Information and Regulatory Affairs, or OIRA, under the Office of Management and Budget for review and approval. As part of that process, agencies must determine whether the information collection is needed, estimate its burden, and certify that it meets specific requirements.

Although the PRA has been on the books for a number of years and Presidents of both

parties have directed federal agencies to find ways to reduce and streamline federal paperwork, the overall burden continues to grow. Currently, federal paperwork is estimated to annually take 11.6 billion hours to respond to or comply with and costs nearly \$1.9 trillion. However, the burden may be higher as OIRA and others have raised concerns about the accuracy of agency burden estimates.

While nearly 75 percent of the overall federal paperwork burden generated by Treasury, onerous requests from other agencies contribute as well. Examples of these include Census surveys, OSHA reporting and recordkeeping requirements, and third-party or public disclosures, such as food labeling requirements. Laws enacted in recent years like Obamacare and the Dodd-Frank Act have added hundreds of millions of hours to the total. Today, we'll be discussing how effective the PRA has been in reducing the federal paperwork burden on small businesses and issues that require additional attention or perhaps legislative action to resolve.

I want to thank all the witnesses for being here today. We look forward to hearing your testimony.

I now yield to the Ranking Member, Ms. Velázquez, for her opening statement.

