

CRS Report for Congress

Received through the CRS Web

The Information Quality Act: OMB's Guidance and Initial Implementation

Updated September 17, 2004

Curtis W. Copeland
Specialist in American National Government
Government and Finance Division

Michael Simpson
Specialist in Life Sciences
Resources, Science, and Industry Division

The Information Quality Act: OMB's Guidance and Initial Implementation

Summary

The Information Quality Act (IQA), sometimes referred to as the Data Quality Act, was enacted in December 2000 as Section 515 of the Treasury and General Government Appropriations Act for Fiscal Year 2001 (P.L. 106-554). The act required the Office of Management and Budget (OMB) to issue guidance to federal agencies designed to ensure the “quality, objectivity, utility, and integrity” of information disseminated to the public. It also required agencies to issue their own information quality guidelines, and to establish administrative mechanisms that allow affected persons to seek correction of information maintained and disseminated by the agencies that does not comply with the OMB guidance. Although some observers said the IQA would improve the quality of agency science and regulation, others viewed the act as a tool by which regulated parties could slow or even stop new health, safety, and environmental standards.

Because of the scant legislative history of the IQA and its lack of detail, OMB's guidance interpreting key provisions in the act has a major effect on its implementation. In those guidelines, OMB noted that the act applies to virtually all federal agencies and established the broad scope of the guidelines by defining “information” as “any communication or representation of knowledge such as facts or data, in any medium or form.” Similarly, the guidelines define “dissemination” as any “agency initiated or sponsored distribution of information to the public.” OMB indicated that “quality” encompasses elements of utility, objectivity, and integrity, and said agencies can generally presume that data are “objective” if they have been subject to an independent peer review process.

In April 2004, OMB provided Congress with a report on the implementation of the IQA during FY2003. The report said the agencies received only about 35 substantive correction requests during the year, and said it was “premature to make broad statements about both the impact of the correction request process and the overall responsiveness of the agencies.” Many other correction requests listed in the report were on minor issues or involved matters that had been dealt with before the IQA was enacted. OMB indicated that the correction requests came from all segments of society, and said there was no evidence that the IQA had affected the pace of rulemaking. However, OMB Watch (a public interest group) said OMB's report was “seriously flawed” in that it understated the number of correction requests and did not disclose that nearly three-quarters of the requests were from industry.

A major test of the IQA's effectiveness is whether agencies' denials of correction requests are subject to judicial review. In June 2004, a U.S. District Court ruled that the act does not permit judicial review regarding agencies' compliance with its provisions, and the Department of Justice issued a brief stating that the IQA does not permit judicial review. Comments from OMB, OMB Watch, and others suggest several possible areas for improvement of the IQA's implementation.

This report will be updated in the event of significant developments in the administration, judicial interpretation, or legislative oversight of the IQA.

Contents

The Act and Related Issues	1
Initial Assessments of the IQA	3
The IQA and the Shelby Amendment	3
OMB's Information Quality Guidelines	4
General Requirements	4
Definition of Key Terms	5
Information	5
Dissemination	5
Objectivity	6
Influential Information	6
Risk Information	6
Correction Mechanisms	7
Correction Requests and the APA	7
Posting of Correction Requests	7
Agency Guidelines	8
OMB's Report on IQA Implementation	8
Preconceptions	9
Complications	10
Disposition of Requests	11
Requests on Minor Issues	12
Other IQA Requests	13
OMB Watch's View of the OMB Report	14
The IQA and Judicial Review	15
Concluding Observations	16
Possible Improvements and Modifications	17
The IQA and Peer Review	18

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In recent years, both the volume and the types of information that federal agencies disseminate to the public have increased dramatically. Some forms of information dissemination are direct; agencies provide the public with data on such issues as agricultural production, labor trends, population changes, criminal justice activities, and environmental emissions. Other forms of information dissemination are more indirect in that the information forms the basis of agencies' regulations or other policies. For example, on the basis of information derived from scientific research, regulatory agencies may decide to permit or ban the introduction of a new drug, reduce the levels of exposure to a particular pesticide, or change the way that automobiles are manufactured. Therefore, it is important that the data underlying those changes in regulatory policy be of sufficient quality to support sound decisionmaking.

In December 2000, Congress passed and the President signed the Treasury and General Government Appropriations Act for Fiscal Year 2001 (P.L. 106-554). Section 515 of that more than 700-page bill has subsequently been referred to as the "Data Quality Act" or the "Information Quality Act" (IQA) (codified at 44 U.S.C. 3504(d)(1) and 3516). Although little noticed at the time, the IQA has subsequently been the subject of intense debate and controversy. The act required the Office of Management and Budget (OMB) to issue guidance to federal agencies designed to ensure the "quality, objectivity, utility, and integrity" of information disseminated to the public. It also required agencies to issue their own information quality guidelines, and to establish administrative mechanisms that allow affected persons to seek correction of information maintained and disseminated by the agencies that does not comply with the OMB guidance.

This report describes the IQA and OMB's and the agencies' information quality guidelines, noting how several key terms are defined, how risk-related information is to be treated, and how agencies' correction processes should be established. The report also reviews OMB's report on the first year of the IQA's implementation, focusing on the correction requests received during that period and how they were resolved. It also describes a critical comment on that report by a nongovernmental organization. Finally, this report examines the issue of judicial review and the IQA, and explores some suggested improvements and modifications to the act's implementation.

The Act and Related Issues

The IQA amended the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. Chapter 35), which already required OMB to develop and oversee the

implementation of policies, principles, standards, and guidelines to apply to federal agency dissemination of public information. The PRA also required agencies to manage their information resources to improve the integrity, quality, and utility of information to all users within and outside the agency.”¹ Also already in place were a variety of nonstatutory requirements related to information dissemination (e.g., OMB Circular A-130 on “Management of Federal Information Resources”). Therefore, the IQA can be seen as an extension of these previous statutory and nonstatutory requirements.

Representative Jo Ann Emerson is generally regarded as the primary sponsor of the IQA.² The act, in its entirety, reads as follows:

(a) IN GENERAL. — The Director of the Office of Management and Budget shall, by not later than September 30, 2001, and with public and Federal agency involvement issue guidelines under sections 3504(d)(1) and 3516 of title 44, United States Code, that provide policy and procedural guidance to Federal agencies for ensuring and maximizing the quality, objectivity, utility, and integrity of information (including statistical information) disseminated by Federal agencies in fulfillment of the purposes and provisions of chapter 35 of title 44, United States Code, commonly referred to as the Paperwork Reduction Act.

(b) CONTENT OF GUIDELINES. — The guidelines under subsection (a) shall (1) apply to the sharing by Federal agencies of, and access to, information disseminated by Federal agencies; and (2) require that each Federal agency to which the guidelines apply (A) issue guidelines ensuring and maximizing the quality, objectivity, utility, and integrity of information (including statistical information) disseminated by the agency by not later than 1 year after the date of issuance of the guidelines under subsection (a); (B) establish administrative mechanisms allowing affected persons to seek and obtain correction of information maintained and disseminated by the agency that does not comply with the guidelines issued under subsection (a); and (C) report periodically to the Director (i) the number and nature of complaints received by the agency regarding the accuracy of information disseminated by the agency; and (ii) how such complaints were handled.

There were no hearings or debates on this provision and no committee reports were filed. As noted previously, the language was inserted as Section 515 of the more than 700-page Treasury and General Government Appropriations Act for Fiscal Year 2001.

¹ 44 U.S.C. 3506(b)(1)(C).

² Some press reports attribute the IQA to Jim Tozzi, a former OMB official, who is currently head of the Center for Regulatory Effectiveness. The Center describes itself on its website as receiving “financial support, services in kind, and work product from trade associations and private firms,” and says its primary goals are to ensure that (1) the public has access to information used to develop federal regulations and (2) information that federal agencies disseminate to the public is of the highest quality. See [<http://www.thecre.org>].

Initial Assessments of the IQA

Supporters of the IQA, many of whom represent businesses and other regulated parties, considered it an extremely important tool to oversee the work of rulemaking agencies. In fact, the U.S. Chamber of Commerce³ said the act was “the most significant change to the federal rulemaking process since the Administrative Procedure Act was enacted more than 50 years ago,” and said it would have “a revolutionary impact on the regulatory process.” These supporters contended that the IQA and the resultant OMB and agency guidelines would improve the quality of agency science and regulation and force agencies to regulate based on the best science available. Some of these proponents also maintained that the act would help agencies defend their regulations against lawsuits and would reduce the number of lawsuits filed.

Critics of the IQA and the guidelines, including many environmental and public interest groups such as OMB Watch⁴ and Public Citizen,⁵ said the law was a tool by which regulated parties can slow and possibly stop new health, safety, and environmental standards, and that could lead to the revision or elimination of existing standards. They contended that the act could have a chilling effect on agency distribution and use of scientific information. These critics foresaw a flood of data quality challenges, correction requests, and court suits on a wide range of scientific issues, which could tie up agency resources and significantly delay health, safety, and environmental regulations. Critics have also noted that since “quality” is a subjective term and some regulations are based on “best available data,” regulations could be arbitrarily rejected under the IQA, or may never be developed at all because of concerns about running afoul of the act.⁶

The IQA and the Shelby Amendment

The IQA should not be confused with an earlier provision popularly known as the “Shelby Amendment,” which was a two-sentence rider attached to the Treasury and Postal section of the Omnibus Consolidated and Emergency Supplemental Appropriations Act for FY1999 (P.L. 105-277, enacted on October 21, 1998). The Shelby Amendment was the culmination of a two-year effort to make federally funded research data (which are often used to develop new regulations) accessible to the public. The provision directed OMB to amend OMB Circular A-110 “to require Federal awarding agencies to ensure that all data produced under an award will be

³ The Chamber of Commerce describes itself on its website as the world’s largest not-for-profit business federation. See [<http://www.uschamber.org>].

⁴ OMB Watch describes itself on its website as a “nonprofit research and advocacy organization dedicated to promoting government accountability and citizen participation in public policy decisions.” See [<http://www.ombwatch.org>].

⁵ Public Citizen describes itself on its website as a “national, nonprofit consumer advocacy organization founded in 1971 to represent consumer interests in Congress, the executive branch, and the courts.” See [<http://www.citizen.org>].

⁶ For a discussion of this issue, see Rick Weiss, “‘Data Quality’ Law is Nemesis of Regulation,” *Washington Post*, Aug. 16, 2004, p. A-1.

made available to the public through the procedures established under the Freedom of Information Act” (FOIA, codified at 5 U.S.C. 552). OMB’s revisions to the circular took effect in November 1999.⁷ As a result of the changes, in response to a covered FOIA request, agencies are required to obtain certain types of research data from grantees and provide the requester access to the data.⁸ OMB views the Shelby Amendment and the IQA as compatible and mutually enforcing in that they promote public access to quality government information.

OMB’s Information Quality Guidelines

Because of the scant legislative history of the IQA and its lack of detail, OMB’s guidance interpreting key provisions in the act has a major effect on its implementation. OMB published proposed governmentwide IQA guidelines in the *Federal Register* on June 28, 2001 (66 *Federal Register* 34489), and published final guidelines (with a request for further comments on certain points) on September 28, 2001 (66 *Federal Register* 49718). OMB later republished the guidelines (after making changes pursuant to public comments) on February 22, 2002 (67 *Federal Register* 8452).⁹ OMB noted that the guidelines apply to all federal agencies that are subject to the Paperwork Reduction Act — i.e., Cabinet departments, independent regulatory agencies (e.g., the Federal Communications Commission), and other independent agencies (e.g., the Environmental Protection Agency, or EPA). Agencies not subject to the PRA (and therefore not covered by the IQA or OMB’s guidelines) are the Government Accountability Office, the Federal Election Commission, and government-owned contractor-operated facilities (e.g., laboratories engaged in national defense research and production activities).

General Requirements

The OMB guidelines describe OMB and agency responsibilities under the act, including agency reporting requirements. For example, the guidelines note that the IQA essentially requires covered agencies to do three things: (1) issue their own guidelines by October 1, 2002, (2) establish administrative mechanisms allowing affected persons to seek correction of information that they believe does not comply with these guidelines, and (3) report periodically to OMB on the number and nature of the complaints that the agencies received. The guidelines also require the agencies to designate the Chief Information Officer or some other official to be responsible for agency compliance, and required them to develop agency-specific guidelines and administrative correction mechanisms. OMB said the agencies must permit the

⁷ Office of Management and Budget, “OMB Circular A-110, ‘Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations,’” 64 *Federal Register* 54926, Oct. 8, 1999.

⁸ For a thorough discussion of the Shelby Amendment and OMB Circular A-110, see CRS Report RL30376, *Public Access to Data From Federally Funded Research: OMB Circular A-110 and Issues for Congress*, by Eric A. Fischer and Genevieve J. Knezo.

⁹ For a copy of the OMB guidelines, see [<http://www.whitehouse.gov/omb/fedreg/reproducible2.pdf>], viewed on Sept. 17, 2004.

public to comment on their guidelines and correction mechanisms, and then must submit them to OMB for review before publishing them in final form. OMB also said the report on the number and nature of complaints received should be done on a fiscal year basis, with the first such report due to OMB on January 1, 2004.

Definition of Key Terms

The OMB guidelines also define a number of key terms that are undefined in the IQA, and those definitions have had a significant effect on how the act is implemented. OMB said “quality” encompasses elements of utility, objectivity, and integrity. The definitions of some of these and other terms are relatively straightforward and noncontroversial. For example, OMB defined “utility” as the “usefulness of the information to its intended users, and said “integrity” refers to the “security of information — protection of the information from unauthorized access or revision, to ensure that the information is not compromised through corruption or falsification.” The definitions of other terms such as “information,” “dissemination,” and “objectivity” have proven to be much more controversial because they establish the scope and applicability of the guidelines. Stricter quality standards apply to “influential” information, so the definition of that term is also important.

Information. OMB established the broad scope of the act by defining “information” in the guidelines as “any communication or representation of knowledge such as facts or data, in any medium or form.” OMB went on to say that the definition includes information that the agency disseminates through its Web page, but does not include hyperlinks to information that other organizations disseminate. Neither does covered “information” include individuals’ opinions that the agency makes clear are neither factual nor the agency’s views.

Dissemination. The IQA only applies to information that is “disseminated” by federal agencies, so the definition of that word also has a major effect on the act’s scope of coverage. The OMB guidelines define “dissemination” as “agency initiated or sponsored distribution of information to the public.” Therefore, to understand “dissemination” one must understand the terms “agency initiated” and “agency sponsored.”

Agency Initiated. The guidelines make it clear that an agency can initiate the distribution of information either directly or indirectly. Cited as examples of agency initiated disseminations are (1) a risk assessment prepared by the agency to inform the agency’s formulation of possible regulatory or other action, and (2) information prepared by an outside party and disseminated by an agency “in a manner that reasonably suggests that the agency agrees with the information.” In this regard, OMB said that a third-party study used by an agency in support of a notice of proposed rulemaking is also covered by the IQA. Others contend, however, that this position runs counter to the approach taken in the PRA (which the IQA amends), which suggests that information in a notice of proposed rulemaking is information that is “used” or “accessed” by the public, not information that is “disseminated” by an agency (and therefore would not be covered by the IQA).

Agency Sponsored. OMB said an agency has “sponsored” an information dissemination if it directs a third party to distribute information or if an agency has

the authority to review and approve it before it is distributed. The guidelines go on to say, however, that dissemination does not include distributions that are limited to government employees, contractors, or grantees; inter-agency or intra-agency use or sharing of government information; responses to requests for information under FOIA, the Privacy Act, or the Federal Advisory Committee Act; or correspondence with individuals, press releases, or public filings.

Objectivity. The OMB guidelines state that “objectivity” is a function of both presentation (i.e., whether the information is presented in an accurate, clear, complete, and unbiased manner) and substance (i.e., whether the information is accurate, reliable, and unbiased). OMB indicated that agencies can presume that data are sufficiently “objective” if they have been subject to an independent peer review process (e.g., as used by scientific journals), but a member of the public can rebut this presumption “based on a persuasive showing by the petitioner in a particular instance.”

Influential Information. Additional IQA obligations apply to scientific, financial, or statistical information that is “influential.” The guidelines define the word “influential” in this context as information that “the agency can reasonably determine” will have or does have a “clear and substantial impact on important public policies or important private sector decisions” when disseminated to the public. OMB authorized the covered agencies to define “influential” in ways appropriate for them, but indicated that the data and analytic results related to influential information should meet certain “reproducibility” and “transparency” standards. Specifically, OMB said that agency guidelines should “generally require sufficient transparency about data and methods that an independent reanalysis could be undertaken by a qualified member of the public” and would generate similar results. Critics, however, have questioned how agencies are to know in advance of dissemination when information will be “influential,” or what constitutes an “important public policy.”

Risk Information

When agencies disseminate information related to the analysis of risks to human health, safety, and the environment, the OMB guidelines require agencies to “adopt or adapt” the “quality principles” that Congress established in the Safe Drinking Water Act Amendments of 1996 (42 U.S.C. 300g-1(b)(3)(A) and (B)). When basing actions under this act on science, the amendments require EPA to use “the best available, peer-reviewed science and supporting studies conducted in accordance with sound and objective scientific practices” and to use “data collected by accepted methods or best available methods.” When presenting risk information to the public concerning safe drinking water, the amendments also require EPA (where “practicable”) to identify a “central estimate of risk” for specific populations, upper-bound and lower-bound estimates of risk, and “each significant uncertainty identified in the process of the assessment.” OMB said that through these amendments, “Congress adopted a basic quality standard for the dissemination of public information about risks of adverse health effects.” However, critics have questioned whether it is appropriate for OMB’s guidelines to export risk analysis principles established for the Safe Drinking Water Act to agency actions under other environmental, health, and safety statutes.

Correction Mechanisms

OMB's data quality guidelines also generally describe the "administrative mechanisms" that agencies are required to establish to allow "affected persons to seek and obtain correction of information maintained and disseminated by the agency that does not comply with the guidelines." Specifically, the guidelines state that the mechanisms should be "flexible, appropriate to the nature and timeliness of the disseminated information, and incorporated into agency information resources management and administrative practices." They go on to say that the agencies must make decisions within "appropriate time periods," and must "notify the affected persons of any corrections made." Agencies also must establish an "administrative appeal process" to review the agencies' initial decisions, and must specify "appropriate time limits" for the resolution of requests for reconsideration. The guidelines indicate that, to ensure objectivity, the office that originally disseminates the information should not have responsibility for both the initial response and resolution of a disagreement.

Correction Requests and the APA. Differences of opinion exist regarding the relation of these "administrative mechanisms" and the commenting process under the Administrative Procedure Act (APA).¹⁰ Some contend that the APA process already provides a mechanism by which the affected public can seek correction of information relied on in rulemaking, so no additional correction process is needed. Others believe that the mechanisms contemplated in the IQA are in addition to the APA commenting process. OMB representatives told CRS during this review that agencies should handle correction requests submitted during the public comment period for a rule through the APA commenting process.¹¹ After the comment period is over, though, OMB said that members of the affected public who were dissatisfied with how their correction requests were handled through the APA process could appeal the agency's decision through the agency's IQA administrative appeal process.

Posting of Correction Requests. On August 30, 2004, OMB instructed agencies to post their information quality correction requests for FY2004 and for subsequent years on "publicly-available web pages."¹² Specifically, OMB said agencies should include "a copy of each correction request, the agency's formal response(s), and any communications regarding appeals." In addition, for each request, OMB recommended that agencies "provide a few sentences describing the request and any subsequent response." OMB said the information should be disclosed by December 1, 2004.

¹⁰ The APA (5 U.S.C. 551 *et seq.*) is the most longstanding and broadly applicable set of rulemaking requirements. The act generally requires agencies to publish a notice of proposed rulemaking in the *Federal Register*, allow public comments, and (after considering the comments) publish a final rule.

¹¹ Meeting with representatives from OMB's Office of Information and Regulatory Affairs, Sept. 15, 2004.

¹² For a copy of this memorandum, see [http://www.whitehouse.gov/omb/inforeg/info_quality_posting_083004.pdf], viewed on Sept. 17, 2004. OMB said it hoped agencies would eventually post information quality correspondence for FY2003 as well.

Agency Guidelines

As noted previously, the IQA required each covered agency to issue its own information quality guidelines within one year of the issuance of the OMB guidelines. To develop their guidelines, the agencies reportedly used the OMB guidelines as a starting point, obtained comments from the public on their proposed guidelines, and submitted the draft final guidelines to OMB for review and comment. On October 4, 2002, OMB indicated that it had completed its review of agencies' draft information quality guidelines, and laid out a series of steps designed to guide and oversee agencies' implementation of their guidelines.¹³ For example, OMB requested that the agencies provide the office with copies of certain types of complaints (e.g., those involving "major policy questions" that are likely to be of interest to more than one agency), and asked to be invited to any meetings with outside parties concerning those complaints.

OMB has published agencies' guidelines on its website, although it cautioned the public that the list is not complete and will be updated as more guidelines are posted online.¹⁴ In that listing, Cabinet departments often provided overall guidelines as well as guidelines for major subunits within the departments. For example, the Department of Agriculture provided guidelines for all of the department as well as guidelines for the Agricultural Research Service, the Food Safety and Inspection Service, the Forest Service, and six other agencies or offices within the department. However, separate IQA guidelines are not listed for some major agencies within Cabinet departments. For example, separate guidelines are not listed for some major regulatory agencies within the Department of Labor (e.g., the Occupational Safety and Health Administration and the Mine Safety and Health Administration) or the Department of Transportation (e.g., the Federal Highway Administration or the National Highway Traffic Safety Administration). OMB representatives said that it was up to the departments and agencies to determine how their guidelines would be presented on this website.¹⁵

OMB's Report on IQA Implementation

The IQA required agencies to report periodically to OMB on the information quality complaints they received, but the act did not require that OMB report to Congress on its implementation. Subsequently, though, a reporting requirement was established. The conference report on H.R. 2673, the Consolidated Appropriations Act of 2004, indicated that the conferees were "concerned that agencies are not complying fully with the requirements of the [IQA]," and directed OMB to submit a report to the House and Senate Committees on Appropriations by June 1, 2004, on

¹³ For a copy of this memo, see [http://www.whitehouse.gov/omb/inforeg/pmc_graham_100402.pdf], viewed on Sept. 17, 2004.

¹⁴ For copies of the agencies' information quality guidelines, see [http://www.whitehouse.gov/omb/inforeg/agency_info_quality_links.html], viewed on Sept. 17, 2004.

¹⁵ Meeting with representatives from OMB's Office of Information and Regulatory Affairs, Sept. 15, 2004.

whether agencies had been “properly responsive” to public requests for correction of information pursuant to the IQA.¹⁶ The conference report also said that OMB should suggest changes to the act or to OMB’s guidelines to “improve the accuracy and transparency of agency science.”

On April 30, 2004, OMB provided a report to Congress on the implementation of the IQA during FY2003. OMB said the report was based on two types of information: (1) the reports that the act required agencies to provide to OMB by January 1, 2004, on the correction requests that they received, and (2) the experiences and insights from OMB staff who have worked with the agencies. Overall, OMB said the number of substantive correction requests that the agencies responded to were “relatively small,” and said it was “premature to make broad statements about both the impact of the correction request process and the overall responsiveness of the agencies.” OMB also said that it was “not prepared to make suggestions for legislative changes at this point in time,” but did make several recommendations to improve the administration of the act. Specifically, OMB said that agencies should (1) consider putting their correction requests on publicly available Web pages (as some agencies have already done), (2) work harder to improve the timeliness of their responses, (3) ensure that they have sufficient scientific and technical staff to respond to the requests, (4) consult with OMB earlier in the response process, and (5) work on guidance that they can use to determine which requests are “influential.”

Preconceptions

OMB said that several of the preconceptions regarding the act’s implementation did not appear to be correct.¹⁷ For example:

- OMB said that although some assumed that certain agencies would be overwhelmed by the volume of IQA correction requests, only about 35 “substantive” requests appeared to have been “stimulated” by the act during its first year of implementation. Of these 35 requests, more than half were received by EPA, the Department of Health and Human Services, and the Department of the Interior. OMB said the agencies classified eight of the requests as “influential,” 15 as “noninfluential,” and 12 as “undetermined.”¹⁸ Many other information correction requests that the agencies had commonly received before the IQA was enacted were received via the agencies’ IQA websites and e-mail addresses and handled through the IQA process. For example, OMB said that of the 24,618 requests received governmentwide, the Federal Emergency

¹⁶ “Implementation of the Federal Data Quality Act,” *Congressional Record*, daily edition, vol. 149 (Nov. 25, 2003), p. H12699.

¹⁷ For a copy of this report, see [http://www.whitehouse.gov/omb/inforeg/fy03_info_quality_rpt.pdf], viewed on Sept. 17, 2004.

¹⁸ OMB some agencies were reluctant to classify requests as influential because of concerns from legal staff, lack of clarity regarding how the word is defined, and the potential implications of classifying a correction request as influential.

Management Agency received 24,433 requests to correct maps used in the flood insurance program, and the Department of Transportation received 89 requests to correct individual data items on the Federal Motor Carrier Safety Administration reports.

- OMB said that although some expected the information quality correction process to be used only by industry, the requests during the first year of implementation came from all segments of society (e.g., private citizens, corporations, farm groups, and liberal and conservative nongovernmental organizations). However, OMB did not provide any data regarding the number of requests by source, or even indicate whether requests from industry were the most common source.
- OMB said other pre-implementation concerns were that the IQA would slow down the rulemaking process and reduce the issuance of agency information. The report said, however, that there was no evidence that the act had affected either the pace or length of rulemaking, or that agencies' information dissemination had diminished. OMB said it was relying on its own perceptions of these issues, and did not indicate that it had attempted to systematically collect those data. Also, OMB said that agencies discovered that it took longer than expected to respond to correction requests and to implement the appeals process. In particular, OMB noted that some of the larger agencies found it difficult to locate the correct specialist and ensure that he/she has enough time to devote to the request.
- Finally, OMB said that although the expectation was that the IQA was aimed primarily at federal rulemaking, most of the correction requests received during FY2003 were directed at reports, notices, and agency Web pages. OMB also noted, though, that these disseminations may ultimately lead to federal, state, or local rules.

Complications

On the other hand, OMB also said that the implementation of the IQA had some "complications." In particular, OMB said that it discovered that "the notion of what constitutes 'dissemination' is not straightforward." For example, the report indicated that agencies have had to determine whether a regional office employee making an oral statement at a public meeting, or responding to a citizen via e-mail, constituted "dissemination" of information. In some cases, requests for correction were denied because of how the term was defined. For example, in a correction request to the Forest Service within the Department of Agriculture, the complainant requested correction of a document entitled "Guidance Criteria for Determining the Effects of On-Going Grazing and Issuing Term Grazing Permits on Selected Threatened and Endangered Species, and Species Proposed for Listing and Proposed and Designated Critical Habitat." Specifically, the complainant contended that certain information in that guidance did not incorporate other information published by the Forest Service, thereby rendering it inaccurate and incomplete. The Forest Service denied

the request, stating that the data did not meet the definition of “disseminated” under either the Department of Agriculture or the OMB data quality guidelines. (OMB’s report did not indicate why the Forest Service took this position.)

OMB also said that correction requests often hinge on the interpretations of science or analyses, and that several reasonable inferences could be drawn when dealing with uncertain scientific issues. The report noted that most “non-frivolous” correction requests had been denied because the agencies’ interpretations were defended as reasonable, and said the requests “might have been better focused if they had addressed the inadequate treatment of uncertainty rather than the accuracy of information.”

Finally, OMB said that although most of the agency guidelines indicate that correction requests will typically be responded to within 60 to 90 days, many of the agencies (e.g., EPA and the Departments of Agriculture, Health and Human Services, and Transportation) were “taking significantly longer to respond.” In particular, OMB said it took the agencies more than five months to respond to eight of the requests. OMB said that it expected future requests to be processed and responded to more quickly now that the agencies have processed their first data quality requests.

Disposition of Requests

OMB said that 16 of the 35 substantive requests for correction were appealed, and six of those appeals were still pending at the end of FY2003. Although many of the requests for correction were initially denied by the agencies (e.g., because the agencies believed the information already met the act’s requirements or because the agencies said the information subject to the complaint was not covered by the IQA), many of these and other requests resulted in full or partial corrective actions by the agencies. For example:

- The Chemical Products Corporation (CPC) requested that an abstract of a draft technical report be removed from a National Toxicology Program (NTP) website because a sample tested in the studies included in the report contained a contaminant that rendered the report invalid.¹⁹ NTP initially added information about the contaminant to the website, but on appeal the agency decided to remove the abstract entirely. The response to the appeal also indicated that additional information from ongoing work would eventually be incorporated into a revised abstract and technical report, which would be submitted for peer review and subsequent publication.
- CPC also asked EPA to reconsider the oral reference dose for barium because it believed an objective scientific evaluation would determine a different critical effect. EPA initially rejected the

¹⁹ The NTP, within the Department of Health and Human Services, is an interagency program headquartered at the National Institutes of Health’s National Institute of Environmental Health Sciences in Research Triangle Park, North Carolina.

request, but later decided to revise the information for barium to include a more explicit and transparent analysis of data from animals and to conduct an independent peer review of the revision.

- An attorney asked EPA to stop disseminating the 1986 “Guidance for Preventing Asbestos Disease Among Auto Mechanics” (commonly called the “Gold Book”) and to post a statement on the agency’s website that the guidance is no longer scientifically current, or to update the Gold Book. The agency said that it was in the process of updating the Gold Book, and would include a note in both hard copy and electronic versions of the current document that the update was underway.
- A maritime industry consultant requested that the Maritime Administration within the Department of Transportation either correct or remove a study showing the mileage of inland barges or provide supporting documentation. The Maritime Administration decided to remove the study from its website and recognized that a more up-to-date study was needed.
- Several environmental groups requested that the Forest Service reopen the comment period for a December 2002 proposed rule on national forest system land and resource management planning because the review that the Service conducted was not readily available to the public in an understandable format. The Forest Service provided the groups with the requested information and made it available to the public on its website, and said the agency was still in the process of considering comments on the rule.

In one case, an aquaculture business asked the Department of Commerce’s National Oceanic and Atmospheric Administration (NOAA) to correct its and the Department of the Interior’s Fish and Wildlife Service’s reliance on studies used to specify conditions under which permits would be issued for aquaculture projects engaged in the rearing of salmon. Although the correction request and initial appeals were denied, the requesters ultimately indicated they would not continue to appeal because their concerns had been addressed. The OMB report indicated that the business viewed this outcome as “mutually beneficial,” and said the company appreciated the agencies’ responsiveness.

Requests on Minor Issues

As OMB mentioned in its report, many of the IQA correction requests listed in the office’s report for FY2003 involved relatively minor information quality issues that the agencies easily addressed. For example:

- A request to the Department of Labor’s Occupational Safety and Health Administration (OSHA) asked that the name of a trade association be corrected (from “American Dental Hygiene Association” to “The American Dental Hygienists’ Association”). Other OSHA-directed requests were to correct a reference to a table

number in its regulations, to add text and figures to another rule, to correct the Standard Industrial Classification code for a company, and to correct the date of publication of an EPA pamphlet.

- A request to the Civil Rights Division of the Department of Justice noted that the character set used for the Vietnamese translation of a brochure on voting rights was incorrect.
- A request to the Centers for Disease Control and Prevention within the Department of Health and Human Services asked for redirection of a link on the CDC website to general (rather than technical) information on gonorrhea.
- Many of the requests to the National Archives and Records Administration (NARA) were to correct minor errors such as (1) misidentification of individuals in a photograph of President Nixon and Elvis Presley, (2) incorrect identification of the name of John Glenn's spacecraft, and (3) the wrong birthday for a 19th century West Point cadet.

Although determining whether a requested correction is “minor” is inherently subjective, nearly half of the correction requests listed in OMB's report appeared to be of this nature. For some of the agencies (e.g., OSHA and NARA), virtually all of their correction requests appeared to be minor.

Other IQA Requests

Several of the correction requests included in the OMB report did not appear to be handled by the agencies in the same manner or did not appear to be the types of requests that the OMB guidelines seemed to have contemplated. For example, in some cases, the agencies treated requests for the *addition* of information as a data quality request, with the agencies sometimes acceding to those requests and other times denying them. For example, the American Heart Association asked that OSHA add a paragraph to its guidelines for first aid programs mentioning that the association provides training in cardio-pulmonary resuscitation and the use of automated external defibrillators. OSHA agreed to do so. In another case, the Chamber of Commerce requested that EPA revise the minutes of an October 2002 meeting of the Executive Committee of the Science Advisory Board to include a comment made by the chairman of the committee. EPA denied the request, stating that documents generated and published by Federal Advisory Committee Act committees are not considered EPA information disseminations and are therefore not subject to the IQA correction request process.

In this EPA Science Advisory Board case and several other cases, agencies denied correction requests as being outside of the scope of the IQA, but nevertheless included those requests and denials in their IQA reports. For example, the Competitive Enterprise Institute requested that NOAA within the Department of Commerce should cease dissemination of the National Assessment on Climate Change because of fatal data flaws. NOAA denied the request because the agency

said it did not involve “information” that is “disseminated” pursuant to NOAA’s information quality guidelines, but included the request in its IQA report to OMB.

In still other cases, agencies considered comments received from the public regarding proposed rules as IQA correction requests. For example, a contractor association filed a correction request indicating that a proposed rule issued by the Fish and Wildlife Service within the Department of the Interior did not adequately consider economic impacts, and used erroneous assumptions and inappropriate measurements in its analysis of boat speed zones and their effect on manatees. The Service said it reviewed the comments submitted concerning the proposed rule within the context of the rulemaking process, and that no further action was necessary. In another case, EPA said it also considers requests for correction on a proposed rule during the public commenting process. However, in yet another case, the Consumer Product Safety Commission indicated that under its information quality guidelines, the administrative correction mechanism “does not apply to information disseminated by the CPSC through a comprehensive public comment process.”

OMB Watch’s View of the OMB Report

Although various organizations have expressed concerns about the IQA, OMB’s guidelines, and the way the statute has been implemented, comments from OMB Watch — a nonprofit public interest group — tend to exemplify many of those concerns. In July 2004, OMB Watch published a report entitled “The Reality of Data Quality Act’s First Year: A Correction of OMB’s Report to Congress.”²⁰ OMB Watch said that OMB’s IQA report was “seriously flawed” because it was biased and contained inaccurate data and misleading information. Specifically, the organization said that OMB’s report:

- understated the number of information quality challenges. (OMB Watch said there were 98 challenges instead of the 35 that OMB reported.)
- overstated the extent to which IQA challenges that were denied were appealed (OMB Watch said it was 28%, not “most” as OMB said.)
- failed to disclose that nearly three-quarters of the IQA challenges were from industry.
- provided no data to support its claims that the IQA had not slowed down agency rulemaking or dissemination activities.
- did not cover such issues as the judicial reviewability of the information quality guidelines, the scope of OMB’s oversight and authority, and the burden that agencies bear in implementing the IQA.

²⁰ For a copy of this report, see [<http://www.ombwatch.org/info/dataqualityreport.pdf>], viewed on Sept. 17, 2004.

In summary, OMB Watch said that OMB's report to Congress "contains so many problems that it would not meet the standards established under the agency's own information quality guidelines." Nevertheless, OMB Watch said it was clear that the IQA "has had a significant impact on government operations," and said Congress should hold hearings on the act to determine if modifications are needed.

The IQA and Judicial Review

Some observers see judicial review as the crucial test of the act's future effectiveness. If judicial review is permitted, agencies may find themselves subject to potentially endless legal challenges to their regulations and other types of information disseminations, which could make them less likely to issue similar regulations in the future. On the other hand, the absence of judicial review may encourage agencies to pay less attention to the IQA and make them more subject to administrative directives provided by OMB. Law journal articles do not convey any consensus in the legal community as to whether an agency's response to a data quality challenge is subject to judicial review, or whether a court in reviewing a regulation might be influenced by a data quality challenge to the underlying data.

The first lawsuit alleging failure to comply with the act was filed in August 2003 (*Competitive Enterprise Institute v. Bush*, D.D.C. No 03-1670), and involved the White House Office of Science and Technology Policy's report to the President and Congress on climate change. The lawsuit argued that models used in the climate change assessment were not peer reviewed and produced erroneous predictions, and asserted that agency actions were judicially reviewable under the IQA. However, in November 2003 both parties agreed to dismiss the lawsuit because the White House science office offered to issue a disclaimer stating that the national assessment had not been subject to a review under the Office's data quality standards.

In the first IQA-related case to be addressed by a court, on June 21, 2004, a U.S. District Court ruled that the act does not permit judicial review regarding an agency's compliance with its provisions.²¹ In that case involving the Missouri River, the court first noted that the IQA does not specifically provide for a private cause of action. The court then noted that judicial review was generally available under the Administrative Procedure Act, but not if the agency is acting within the discretion provided by Congress. That discretion is generally considered to have been provided if the statute at issue is written in such broad terms that "there is no law to apply."²² In this case, the court said that such terms as "quality," "objectivity," "utility," and "integrity" are not defined in the IQA, and the history of the legislation does not provide any indication as to the scope of these terms. Therefore, absent any "meaningful standard" against which to evaluate the agency's discretion, the Court finds that Congress did not intend the IQA to provide a private cause of action." In an article on the case, OMB Watch noted that the court did not address whether the

²¹ *In re: Operation of the Missouri River Sys. Litig.*, No. 03-MD-1555 at 49 (D. Minn. June 21, 2004) (order granting motions for summary judgment).

²² *Heckler v. Chaney*, 470 U.S. 821, 830, 105 S.Ct. 1649, 84 L.Ed.2d 714 (1985).

APA permits judicial review of an agency's failure to comply with the OMB guidelines interpreting the IQA or an agency's compliance with its own guidelines.²³ Also, given the limited discussion of the IQA in this case, OMB Watch said it "is most likely not the last word from the courts" on the IQA.

On June 25, 2004 — four days after the above court decision — the Department of Justice (DOJ) filed a brief recommending the dismissal of a lawsuit filed under the IQA by the Chamber of Commerce and the Salt Institute against the National Heart, Lung, and Blood Institute (NHLBI) within the National Institutes of Health. The lawsuit challenged the NHLBI's statements concerning sodium consumption and health effects. The DOJ brief said that the plaintiffs lacked standing to challenge the agency's underlying study on sodium consumption, and also said that there was no statutory basis for the court to review the agency's action because the IQA does not permit judicial review. Specifically, DOJ said the following:

"Plainly, nothing in the text of the statute indicates that Congress intended for the *federal courts* [emphasis in the original] to serve as ongoing monitors of the 'quality' of information maintained and disseminated by federal agencies. Rather, the language and structure of the IQA reflects Congress's intent that any challenge to the quality of information disseminated by a federal agency should take place in administrative proceedings before federal agencies. Simply put, Congress nowhere provided a new judicial avenue for private parties to enforce the terms of the IQA."

DOJ also noted the above-mentioned Missouri River court case, noting that "the first and only court to address this issue recently determined that the IQA does not provide for private cause of action." The Chamber of Commerce and Salt Institute filed a brief on July 16, 2004, challenging DOJ's arguments. The case is reportedly one of four IQA lawsuits yet to be resolved.

Concluding Observations

The determination of whether agencies' actions are subject to judicial review under the IQA will clearly have a major effect on the act's implementation. However, even in the absence of judicial review, the IQA can still have a significant impact on federal agencies and their information dissemination activities. OMB's report on the implementation of the act during FY2003 provided numerous examples of agencies changing their policies and publications in response to administrative requests for correction from affected parties. Those administratively driven policy changes have continued after the one-year period covered by OMB's report. For example, shortly after the June 2004 court case and DOJ brief, the National Institute on Aging within the National Institutes of Health reportedly agreed to revise its website and printed publications, eliminating statements indicating that smokeless

²³ For a copy of this article, see [<http://www.ombwatch.org/article/articleview/2244>], viewed on Sept. 17, 2004.

tobacco products are no less safe than cigarettes. The change was reportedly a direct result of an IQA correction request filed by the National Legal and Policy Center.²⁴

The IQA may also be having an effect on information dissemination in the states. The Center for Regulatory Effectiveness has reportedly drafted and promoted a model state version of the act that is derived from the federal legislation and the OMB guidelines.²⁵ The State of Wisconsin has adopted data quality legislation,²⁶ and other states are reportedly planning to do so.

Possible Improvements and Modifications

As noted previously, OMB's report to Congress included several suggested improvements in the administration of the IQA (e.g., putting correction requests on agencies' Web pages and improving the timeliness of agencies' responses to those requests). None of the actions that OMB suggested appear to require congressional action; each could be implemented by OMB and the agencies administratively.

The observations of other interested parties suggest additional possible areas of clarification or refinement in either the IQA or in any subsequent reporting requirements. For example, OMB Watch indicated that OMB's report to Congress should have examined the effect that the IQA was having on the pace of the regulatory process and on agency resources. OMB said it was not aware of any data indicating that the IQA was slowing down rulemaking, but also said agencies were finding that it took longer than expected to respond to correction requests and to implement the appeals process. To improve oversight regarding these issues, either Congress or OMB could initiate the collection of more systematic and reliable data regarding the IQA's effect on rulemaking or agencies' resources.

OMB Watch also indicated that OMB's report was flawed in its characterization of the number of correction requests and the source of those requests. Some of the disagreements on those issues may flow from differences of opinion regarding what types of actions should be considered in an IQA correction request. For example, it is not clear whether Congress intended the IQA correction request process to apply to

- many of the relatively minor issues listed in OMB's report (e.g., the dates of publication of a pamphlet or the names of persons in a photograph).

²⁴ "Government Watchdog Group Successfully Challenges Federal Health Policy on Data Quality Act Grounds," *PR Newswire*, July 14, 2004.

²⁵ Chris Mooney, "Paralysis by Analysis: Jim Tozzi's Regulation to End All Regulation," *Washington Monthly*, 5 (May 1, 2004), p. 23.

²⁶ 2003 Wisconsin Act 145 took effect on July 1, 2004, and relates to administrative rulemaking regarding small businesses. Among other things, it requires agencies to "ensure the accuracy, integrity, objectivity, and consistency of the data" used to develop a proposed rule.

- the tens of thousands of requests to revise FEMA flood insurance rate maps and other items that had been addressed administratively before the IQA came into being.
- comments filed regarding proposed rules or requests that the public comment periods for proposed rules be reopened.

To clarify these and other issues, either Congress or OMB could better define the scope of the act or the issues to be included in any future report. Clarification could also be provided regarding whether correction requests that the agencies determine to involve issues outside the scope of the IQA (e.g., a challenge to the minutes of a federal advisory committee meeting) should be included in a report that is supposed to list correction requests under the act.

The IQA and Peer Review

In its final IQA guidelines, OMB encouraged (but did not require) the use of peer reviews in the development of agency-disseminated information. As noted previously in this report, OMB indicated that agencies can presume that data are sufficiently “objective” if they have been subject to an independent peer review process (e.g., as used by scientific journals), but said a member of the public could rebut this presumption “based on a persuasive showing by the petitioner in a particular instance.” OMB also indicated that journal peer review may not be sufficient for information likely to have an important public policy or private sector impact. Finally, the IQA guidelines set minimum standards for the transparency of agency-sponsored peer review (e.g., disclosure of reviewers’ prior technical or policy positions and sources of funding).

On September 15, 2003, OMB published a proposed bulletin on “Peer Review and Information Quality” in the *Federal Register* that would, when made final, provide a standardized process by which all significant regulatory information would be peer reviewed.²⁷ OMB said it received 187 comments on the draft peer review bulletin, many of which were critical of the proposed requirements. On April 28, 2004, OMB published a revised peer review bulletin in the *Federal Register* that the office said “incorporates many of the diverse perspectives and suggestions voiced during the comment period.”²⁸ The revised bulletin essentially required agencies to take three actions (to the extent permitted by law): (1) have a peer review conducted on all “influential scientific information” that the agency intends to disseminate

²⁷ Office of Management and Budget, Executive Office of the President, “Proposed Bulletin on Peer Review and Information Quality,” 68 *Federal Register* 54023 (Sept. 15, 2003). This bulletin had been released to the public via OMB’s website on Aug. 29, 2003. For a copy of this proposed bulletin, see [http://www.whitehouse.gov/omb/inforeg/peer_review_and_info_quality.pdf], viewed on Sept. 17, 2004.

²⁸ Office of Management and Budget, Executive Office of the President, “Revised Information Quality Bulletin on Peer Review,” 69 *Federal Register* 23230 (Apr. 28, 2004). This revised bulletin had been released to the public via OMB’s website on April 15, 2004. To view a copy of this revised bulletin, see [http://www.whitehouse.gov/omb/inforeg/peer_review041404.pdf], viewed on Sept. 17, 2004.

(changed from “significant regulatory information” in the proposed bulletin); (2) have all “highly influential scientific assessments” peer reviewed according to more specific and demanding standards; and (3) indicate what “influential” and “highly influential” information the agency plans to peer review in the future.

In its April 30, 2004, report on the implementation of the IQA, OMB said the revised bulletin still requires agencies to undertake a peer review before disseminating influential scientific information to the public and establishes minimum standards for when peer review is required. However, OMB said the revised bulletin leaves the selection of a peer review mechanism for influential scientific information to the agency’s discretion. In September 2004, OMB representatives told CRS that the office was still revising the peer review bulletin, and that a new version would be published at a later date.²⁹

²⁹ Meeting with representatives from OMB’s Office of Information and Regulatory Affairs, Sept. 15, 2004.