

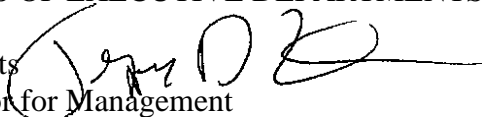
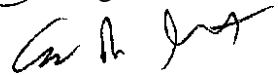


EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

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MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Jeffrey D. Zients 
Deputy Director for Management
Cass R. Sunstein 
Administrator, Office of Information and Regulatory Affairs

SUBJECT: Sharing Data While Protecting Privacy

The judicious use of accurate and reliable data plays a critical role in initiatives designed to increase the transparency and efficiency of Federal programs and to enhance our capacity to gauge program effectiveness. Sharing data among agencies also allows us to achieve better outcomes for the American public through more accurate evaluation of policy options, improved stewardship of taxpayer dollars, reduced paperwork burdens, and more coordinated delivery of public services.

As advances in technology enhance tools for data sharing, Federal agencies can and should seek new approaches for identifying and sharing high-value data responsibly and appropriately. This Memorandum strongly encourages Federal agencies to engage in coordinated efforts to share high-value data for purposes of supporting important Administration initiatives, informing public policy decisions, and improving program implementation while simultaneously embracing responsible stewardship.

When agencies share data, they must do so in a way that fully protects individual privacy. The public must be able to trust our ability to handle and protect personally identifiable information.¹ In sharing data, agencies must comply with the Privacy Act of 1974² and all other applicable privacy laws, regulations, and policies. In addition to the legal framework that governs the use and disclosure of data, agencies are advised to consult established codes of Fair Information Practices.³ As OMB has previously noted, “[t]he individual’s right to privacy must

¹ For the definition of “personally identifiable information,” see the appendix to OMB Memorandum M-10-23, *Guidance for Agency Use of Third-Party Websites and Applications* (June 25, 2010), available at http://www.whitehouse.gov/sites/default/files/omb/assets/memoranda_2010/m10-23.pdf.

² 5 U.S.C. § 552a.

³ Since 1973, several government reports – both general and agency-specific – have established Fair Information Practices that set forth many accepted principles of information privacy. See, e.g., U.S. Dep’t of Health, Educ., and Welfare, Secretary’s Advisory Committee on Automated Personal Data Systems, *Records, Computers, and the*

be protected in Federal Government information activities involving personal information.”⁴

Data sharing is critical to successful initiatives in many domains. The purpose of this Memorandum is to direct agencies to find solutions that allow data sharing to move forward in a manner that complies with applicable privacy laws, regulations, and polices. These collaborative efforts should include seeking ways to facilitate responsible data sharing for the purpose of conducting rigorous studies that promote informed public policy decisions.

Benefits of Sharing. Greater sharing of data can help the Federal Government serve the public with programs that reflect the highest degree of efficiency, coordination, and accountability. Some of the potential benefits of data sharing include:

- Timely and improved access to reliable and high-quality data to inform decision-making by the Administration as well as Congress.
- Increased transparency, better service, and reduced risk of waste, fraud, and abuse with respect to public programs.
- More informed research on public policy as a result of an increased number of theoretical and empirical studies that rigorously analyze, and augment the understanding of, Federal programs within government for the public at large.
- Improved government efficiency and reduced paperwork burdens as a result of more informed decision-making and a reduction in burdensome, excessive, and duplicative data-collection activities.

Important Initiatives. The success of many initiatives hinges on the sharing of high-value data. Examples of how data sharing could play a significant role in important initiatives include:

- Do Not Pay List: Our ability to eliminate improper payments, such as those to fraudulent vendors or to deceased individuals, could benefit from information about payee status.
- Evaluation Initiative: Our ability to measure the success of programs – from education and job training to health care management – would improve with access to administrative data for evaluation and evidence-building.
- Statistics Initiative: Our ability to contain costs and reduce burdens on respondents, while increasing the quality and quantity of statistical information, depends on the untapped potential of data sets held by program, administrative, and regulatory offices and agencies.

Rights of Citizens (1973), available at <http://aspe.hhs.gov/DATACNCL/1973privacy/tocprefacemembers.htm>

⁴ OMB Circular A-130, *Management of Federal Information Resources*, available at http://www.whitehouse.gov/omb/circulars_a130_a130trans4/

- Partnership Fund for Program Integrity Innovation: Our ability to identify, implement, and test methods to improve integrity, efficiency, and service in the delivery of State and Federal benefit programs will increase with more information about eligibility and enrollment status across programs and levels of government.

Federal agencies are encouraged to engage in coordinated efforts to share high-value data for purposes of supporting important Administration initiatives, informing public policy decisions, and improving program implementation. These efforts should include:

- (1) identifying high-value data that would promote effective and efficient decision-making;
- (2) identifying high-value data and data sharing methodologies that would promote more efficient delivery of Federal, State, and local benefits with lower error rates;
- (3) developing effective approaches for properly sharing data with other Federal entities, consistent with applicable laws, regulations, and policies;
- (4) ensuring the use of common data standards (e.g., NIEM, XBRL, XML) to promote greater interoperability across systems and improving sharing of data as part of IT modernization initiatives; and
- (5) following Enterprise Architecture guidance and principles consistent with appropriate OMB guidance and best practices for new and on-going systems development and implementation.

Sharing data in external public policy, scientific, and other areas of research is of value to the public and can promote savings. In cases where high-value data contain information that is protected under Federal privacy laws, agencies are encouraged, to the extent permitted by law, to develop and implement arrangements that would permit access to these data for research purposes subject to the appropriate safeguards.

Compliance with Privacy Laws, Regulations, and Policies. Whenever Federal agencies carry out data sharing activities, including pursuant to this Memorandum, all participants must comply with applicable privacy laws, regulations, and policies.

It is also important to recognize that, whereas the Privacy Act of 1974 imposes generally applicable prohibitions and requirements regarding information about individuals that is contained in systems of records, other statutes provide privacy protections with respect to particular categories of information. The nature of these privacy protections differs under the various statutes. For example, laws may distinguish between (1) interagency sharing of personally identifiable information in ways that generate only aggregate statistical results and (2) uses of data that involve public disclosure of personally identifiable information. In addition, agencies that are either sharing or receiving data must determine whether, under applicable laws, regulations, and policies, the prohibitions and requirements that apply to particular data will continue to apply after data are shared with an agency or other recipient. Federal agencies

should consult applicable OMB guidance pertaining to privacy laws, regulations, and policies when considering data sharing activities.⁵

Moreover, nothing in this Memorandum shall be construed to promote or favor data sharing that could threaten national security, breach confidentiality, or damage other genuinely compelling interests. OMB stands ready to assist agencies as they evaluate proposals for data sharing activities and as they take the necessary steps for ensuring that their data sharing activities comply with applicable laws, regulations, and policies.

Pursuant to this Memorandum, OMB may ask specific agencies to perform an evaluation and submit a written report detailing options for authorized data sharing; if so, OMB will be available to address relevant questions. The report should be signed by an agency's Senior Agency Official for Privacy, and it should identify any steps that must be taken before data sharing may occur.

Queries. Agencies with questions about this Memorandum or about ways to improve government performance through the sharing of data may contact OMB at datause@omb.eop.gov. OMB will draw on expertise across the agency, including its privacy experts, in formulating its response.

⁵ See, e.g., *Privacy Act Implementation*, 40 Fed. Reg. 28,948-78 (July 9, 1975); [Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act of 1988](#), 54 Fed. Reg. 25,818-29 (June 16, 1989). All OMB privacy guidance is available at http://www.whitehouse.gov/omb/infoereg_infopoltech#pg.