

October 24, 2025

Office of Science and Technology Policy 725 17th Street NW Washington, DC 20503

Re: Request for Information on Regulatory Reform on Artificial Intelligence

Dear Director Kratsios,

On behalf of the Partnership for Public Service, I am writing to share comments in response to the request for information on regulatory reforms related to artificial intelligence noticed on September 26, 2025. The Partnership is a nonprofit, nonpartisan organization committed to building a better government and a stronger democracy. We recognize that artificial intelligence has the potential to enhance the government's ability to deliver solutions and services to the public, and our work is helping to ensure that public sector leaders are effective users and smart regulators of this technology.

As the administration considers regulatory reforms and other agency actions necessary to promote Al innovation and adoption, we write with recommendations that would reduce agency barriers to collecting user feedback and modernize federal privacy practices that are integral to the future of Al in government. The Paperwork Reduction Act and the Privacy Act of 1974 both play important and necessary functions for federal agencies, and we offer the following recommendations to create more efficient processes as agencies interpret these laws with Al in mind.

Provide Paperwork Reduction Act Guidance on AI User Feedback Collection

One of the best practices in designing products is the collection of user feedback. This ensures that a product is designed for the customer, in addition to being user-friendly and accessible. Far too often, government products and services are not designed this way and agencies do not incorporate real-time user feedback at points throughout the development process to drive improvements – often this is due to a real or perceived ban on collecting user feedback unless agencies go through the requirements of the Paperwork Reduction Act.

The Office of Management and Budget's <u>Accelerating Federal Use of AI through Innovation</u>, <u>Governance</u>, <u>and Public Trust</u> memo encourages agencies to engage with OMB on whether they are required to submit information collection requests for clearance under the Paperwork Reduction Act. However, agencies may still be reluctant to allow this sort of user feedback without specific and ongoing guidance from OMB that public feedback is not only allowable but encouraged. We recommend OMB provide specific guidance to agencies for the types of user feedback that do not require Paperwork Reduction Act clearance from the Office of Information and Regulatory Affairs.

Modernize the Privacy Act in the Age of Artificial Intelligence

As agencies implement artificial intelligence systems to better serve the public, updates to the Privacy Act of 1974 are needed to allow government to standardize policies and processes as appropriate in ways that increase efficiency while safely leveraging new technologies. While many aspects of the



Privacy Act maintain modern relevancy, updates are needed to strike the right balance between safeguarding personal information and ensuring the federal government can deliver high quality public services. To achieve a balanced and modernized outcome, we recommend that OMB, OSTP and Congress partner together to consider updates to the Privacy Act.

Standardize Government-Wide Policy Approaches When Appropriate

The current piecemeal approach to data-security and -sharing policy at the federal level often fails to efficiently leverage the collective expertise of the federal government. Moreover, agencies struggle to move quickly on initiatives that require swift approval of data-sharing requests because of the time needed for review by internal stakeholders and the Office of Information and Regulatory Affairs. As such, OMB and OSTP should work with Congress to:

- Establish government-wide approaches for research and data protection laws and regulations relevant to customer experience missions and other data-centric services.
- Create a new consolidated data strategy that provides guidance to federal agencies on how to leverage data in an accountable, transparent and secure way that serves customers and government efficiency needs.
- Draft new legislation to allow federal agencies to establish data sharing frameworks that limit the amount of time individuals spend providing duplicative data to the government.

Enhance Data Sharing by Removing Bureaucratic Red Tape

In the current federal environment, civil servants aiming to strategically use data to improve government efficiency are often stifled by bureaucratic red-tape and long review timelines. Federal agencies and civil servants need greater flexibility to share and access data for legitimate business use cases.

- Agencies should be encouraged to develop and prioritize internal data-sharing agreements that
 enable secure data validation or verification without requiring agencies to share their
 customers' personal information.
- Privacy Act reviews by OIRA often slow down data-sharing processes. OMB should work with Congress to authorize a pilot that allows agency Inspectors General offices to evaluate data sharing requests for approval based on the technical criteria developed in consultation with OMB. Following a successful review of the pilot program by an independent oversight body such as CIGIE and GAO, this process should be fully authorized, removing OIRA from the review process.
- Officials should be required to proactively and securely share information and data with partner agencies who have overlapping customer communities and leverage effective communication channels.
- Agencies should be required to invest in APIs that can securely share data between agencies. As
 part of this requirement, OMB and Congress must ensure that agencies receive proper funding
 to develop these tools.

Maintain and Enhance Data Security Safeguards

Increased access to data for valid business uses should not come at the cost of strong safeguards. Safely restricting access to data and regularly auditing system access is vitally important for many reasons,



including national security. Updates to the Privacy Act should reflect the idea that we can hold our government to a high standard of controls without impacting the efficiency of services.

- Data sharing agreements should still have strong safeguards and tough audit controls that restrict access on a need-to-know basis.
- Inspectors General offices, in coordination with the Government Accountability Office, should standardize their audit processes for ensuring safeguards protocols are being met. This will allow agencies to compare audit results and consistently produce new guidance to better meet safety standards.

Rebuild Public Trust Through Transparency and Accountability

At this moment in time, the public has many reasons to be fearful of their privacy and distrust government use of their data, especially in the context of artificial intelligence systems. It is the responsibility of federal agencies to restore this public trust through transparency and accountability so that it can continue to use data to deliver effective services and a high impact customer experience.

- OMB and Congress should require agencies to proactively communicate to the public how they
 are collecting, utilizing and sharing personal data by using clear, plain language to notify
 individuals of their rights and how their data is being used.
- OMB should work with Congress to authorize and require Inspectors General to conduct regular
 audits of agency data safeguards that reinforce accountability through effective oversight. As
 appropriate, the results of these reviews should be shared publicly to increase trust through
 transparency.

Conclusion

We appreciate OSTP's efforts to collect public feedback on regulatory reforms and other agency actions necessary to promote AI innovation and adoption. We believe additional guidance to agencies regarding the Paperwork Reduction Act and thoughtful modernization to the Privacy Act can balance federal agency drive for AI innovation with necessary safeguards. Thank you for the opportunity to share our thoughts and recommendations.

Sincerely,

Jenny Mattingley

Vice President of Government Affairs

Partnership for Public Service

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