

Analysis of the White House Reform Plan and Reorganization Recommendations | June 25, 2018

The Trump Administration released its <u>comprehensive plan to restructure and reorganize the federal government</u> on June 21, *Delivering Government Solutions in the 21st Century*, which includes proposals to make major changes to the federal bureaucracy and social safety net programs. This plan continues <u>efforts by the Administration</u> to restructure and reduce the size of the federal government. Implementing the majority of the reforms proposed would require Congressional action—and are therefore unlikely to be realized—but they provide clear insight into the priorities of the Administration and serve as a blueprint for possible actions over the next few years.

The plan proposes sweeping reorganization and consolidation of federal departments and agencies, including combining the Departments of Labor and Education into a single "Department of Education and the Workforce," and moving several public assistance programs into the Department of Health and Human Services and renaming it the "Department of Health and Public Welfare." Generally, with a few notable exceptions, agencies important to the social and behavioral sciences are left largely intact. Of the major changes in the plan, the proposals most likely to affect the social and behavioral sciences (each discussed in detail below) would:

- Merge the Departments of Education and Labor and change federal student aid servicing at the Department of Education.
- Consolidate the administration of graduate fellowships from multiple agencies under the National Science Foundation.
- Move the Bureau of Labor Statistics to the Department of Commerce.
- Establish a public-private government effectiveness research center.
- Set government-wide polices for evaluation.

Additionally, the reorganization plan includes several less-detailed agency-specific proposals. These include implementing the Optimize NIH Plan, integrating the Agency for Healthcare Research and Quality (AHRQ), the Center for Disease Control and Prevention's (CDC) National Institute for Occupational Safety and Health (NIOSH), and the Administration for Community Living's (ACL) National Institute on Disability, Independent Living, and Rehabilitation Research (NIDILRR) into the National Institutes of Health (NIH), and establishing the NSF Convergence Accelerators (the latter two proposals were in the President's Budget Request released earlier in the year).

Read on for more details of the government-wide reorganization proposals, keeping in mind that most of the changes would require Congressional action, which is not likely at this time. As for next steps, the report states that the Administration will now "begin a dialogue with Congress to prioritize and refine proposals to best serve the American people."

PROPOSAL: Merge the Departments of Education and Labor, change federal student aid servicing at the Department of Education.

In one of the largest proposed changes in the reorganization plan, the Administration suggests merging the Department of Education (ED) and the Department of Labor (DOL) into a single Cabinet Agency named the **Department of Education and the Workforce (DEW)**. The proposed DEW structure includes sub-agencies focused on K-12 education; higher education and workforce development; enforcement; and research, evaluation, and administration. The proposed Research, Evaluation, and Administration agency would include the Institute of Education Sciences (IES) and a department-wide evaluation office, as well as the responsibility for administering student aid programs for the department.

Additionally, the Administration recommends overhauling federal student aid processing by creating the **Next Generation Financial Services Environment**. This new system, referred to as Next Gen, is <u>already underway</u> at the Department of Education and focused on modernizing the technological and operational components supporting the federal student aid system

PROPOSAL: Consolidate the administration of graduate fellowships from multiple agencies under the National Science Foundation.

The Administration proposes to consolidate graduate research fellowships from across the federal government into the National Science Foundation (NSF). NSF currently awards the highest number of graduate fellowships across the federal government, and the administration cites the efficient system in place at NSF that could benefit smaller fellowship programs at other agencies. Notably, the plan does not name which fellowship programs would be consolidated under NSF. Instead, the Administration suggests that the initial step for this proposed change should be that the NSF create an inventory of existing graduate fellowship programs and evaluate which programs would benefit from NSF's expertise and grants management infrastructure. The reorganization plan does not clarify whether the inventory or the proposed consolidation would include all *graduate fellowships* or only *graduate research fellowships*.

PROPOSAL: Move the Bureau of Labor Statistics to the Department of Commerce.

The Administration proposes to move the Bureau of Labor Statistics (BLS) from the Department of Labor (which itself would be consolidated with the Department of Education under this plan) to the Department of Commerce (DOC), under the direction of the Undersecretary for Economic Affairs. BLS would join two other principal statistical agencies in DOC, the Census Bureau and the Bureau of Economic Analysis (BEA). According to the proposal, the move makes sense because the three agencies all "produce national-level economic and demographic indicators whose value extends far beyond the scope of their respective departments and programs," and housing these three agencies within the Department of Commerce would "increase cost-effectiveness and improve data quality, while simultaneously reducing respondent burden on businesses and the public."

Housing the Census Bureau, BLS, and BEA under one roof in some form or another is not a new proposal. Given that BLS has been chronically underfunded over the past decade or so, a move to DOC, a Department familiar with managing a large and critically important statistical agency, could bring increased support to BLS. If the plan were enacted, the reorganization would not take place until after the completion of peak operations for the 2020 Census.

According to the proposal, the reorganization would enable Census, BEA, and BLS to share resources such as office space and lock-up production facilities and integrate their administrative services and IT systems.

In addition, moving BLS could allow it to combine its list of U.S. business establishments with the list maintained by Census, potentially allowing the agencies to combine their respective surveys of U.S. businesses and activities. A move might also facilitate sharing of administrative data and other source data.

PROPOSAL: Establish a Public-Private Government Effectiveness Research Center.

The plan lays out a path to establish a new **Government Effectiveness Advanced Research (GEAR) Center** through a public-private partnership, which would "engage researchers, academics, non-profits, and private industry from disciplines ranging from behavioral economics, to computer science, to design thinking to use creative, data-driven, and interdisciplinary approaches to re-imagine and realize new possibilities in how citizens and Government interact."

The Administration proposes that input for how the Center should operate be collected through a Request for Information (RFI) and a Challenge issued by the General Services Administration (GSA) under the *America COMPETES Act*. Based on stakeholder feedback, the GEAR Center would be established as a public-private partnership at a university, think tank, or other research institution. Examples of what the new Center would focus on include examining the potential impact of self-driving cars, automation, and other broad economic forces on the government; identifying how to improve government programs that receive the worst public feedback; and exploring how to leverage big data and manage data as an asset across the government.

The plan does not include details on how much or how funding for the research conducted by the new GEAR Center would be allocated.

PROPOSAL: Set Government-Wide Polices for Evaluation.

The proposal suggests implementing changes aimed at enhancing agencies' abilities to generate evidence about their programs' effectiveness and use that evidence to make decisions. According to the plan, strengthening federal evaluation efforts will "require a change in Federal agencies' cultures and standard operating procedures so that program evaluation is integrated into program design, and evaluation experts are part of decision-making processes." The policies detailed in the plan build on several of the recommendations of the 2017 report of the Commission on Evidence-Based Policymaking and do not appear to require Congressional action.

According to the proposal, the White House Office of Management and Budget (OMB) will direct agencies to appoint a senior official responsible for coordinating the agency's evaluation and evidence-building activities (a role termed "Chief Evaluation Officer" in the Commission's report, but not named in the reorganization proposal). This official could lead a single independent evaluation office or coordinate the work of multiple, specialized evaluation offices. The official would also ensure that more detailed information on the resources dedicated to evaluation and evidence-building are collected and provided to OMB as part of the annual budget process.

The Administration's proposal would also instruct federal agencies to implement multi-year "learning agendas" (another recommendation of the Commission), which are tools the agency can use to strategically plan evaluation and evidence-building activities that aim to answer priority research questions and fill knowledge gaps. The senior official appointed to coordinate evaluation activities would also oversee the creation and execution of the learning agenda.