## PRRAC

## Poverty & Race Research Action Council 740 15th St. NW • Suite 300 • Washington, DC 20005 • 202/866/0703 www.prrac.org

June 6, 2023

Richard L. Revesz, Administrator Office of Information and Regulatory Affairs Office of Management and Budget 1800 G Street, NW, 9th Floor Washington, DC 20503

RE: E.O. on Modernizing Regulatory Review, Proposed Revisions to Circular A-4, Regulatory Analysis (Docket No. OMB-2022-0014)

Administrator Revesz,

The Poverty and Race Research Action Council (PRRAC) is a national civil rights organization with a 33-year history of fair housing advocacy. We are writing to express our support of the Executive Order on Modernizing Regulatory Review and proposed updates to Circular A-4 and provide comment on some aspects of these revisions from a racial equity perspective.

An efficient regulatory process is beneficial to all Americans. We commend the Office of Information and Regulatory Affairs for acting to modernize this process in a way that considers those at every economic level. The proposed revisions indicate that OIRA sees an updated rule-making process as one that applies an equitable analysis to data and demographics rather than a one-size-fits-all approach. It should be noted that the socio-economic differences these revisions seek to account for come with racial implications as well. It is important that these racial implications are acknowledged, and that there is a concerted effort to make racial equity a goal of a modern, effective, and fair regulatory process.

Promoting public participation with the intent to amplify Black and Brown voices is vital step in the direction of furthering racial equity. The Executive Order on Modernizing Regulatory Review emphasizes the promotion of inclusive public participation in the regulatory process. Often, comment periods and channels are not accessible to the communities most acutely impacted by the proposed rule, namely communities of color. Expanding access to and opportunity for public participation can increase public engagement in rulemaking and is a necessary update to our current system. Black and Brown voices are underrepresented in the regulatory schema. If agencies begin to work more closely with the public to determine what issues should be addressed and how they will go about addressing

<sup>&</sup>lt;sup>1</sup> Katie Hannon Michel, Tina Yuen & Cesar De La Vega, *Inclusive Community Engagement & Equitable Participation to Improve 4 Core Functions of Local Government*, Medium (2018); <u>Inclusive Outreach and Public Engagement Guide</u>, Seattle Racial and Social Justice Initiative.

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them, more avenues will open for people of color to provide input drawn from their communal needs and lived experience.

In addition to encouraging public participation, the proposed revisions call for an assessment of distributional effects in the cost-benefit analysis. This assessment will look at regulatory impact across different groups and communities. Historically, Black and Brown people hold a disproportionately small amount of the nation's wealth in comparison to their population size. The racial wealth gap contributes to several other systemic disparities – but these disparities are not well accounted for in the current rule-making process, to the detriment of communities of color.<sup>2</sup> An assessment of distributional effects across groups that considers racial wealth disparities and other ways that regulatory processes disproportionately disadvantage people of color can lend to regulatory environment which mitigates systemic harm to Black and Brown communities as opposed to furthering it.

The current administration has made it clear that the advancement of racial equity is both a goal and responsibility of the federal government.<sup>3</sup> This commitment is also consistent with Title VI of the Civil Rights Act of 1964, one of our bedrock civil rights laws. Prioritizing the lowering of barriers to public participation in the rule-making process, as well as placing a focus on distributional effects in the cost-benefit analysis can help further racial equity at the regulatory level. We urge OIRA to consider the ways these proposed revisions can be used to level the field for Black and Brown Americans and build a stronger, more equal society. We thank you for the opportunity to present these comments and welcome any questions regarding our position. We look forward to the finalization of these proposed revisions.

Sincerely,

Darryn Mumphery, Law and Policy Associate Philip Tegeler, Executive Director Poverty & Race Research Action Council Washington, D.C.

<sup>&</sup>lt;sup>2</sup> Liz Mineo, Racial Wealth Gap May be a Key to Other Inequities, Harvard Gazette (2021).

<sup>&</sup>lt;sup>3</sup> Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, The White House (2021).