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Administrative Burdens in the Time of COVID-19

Pamela Herd and Donald Moynihan

May 27, 2020

Webinar begins at 2 pm ET/1 pm CT/12 pm MT/11 am PT

Research | Training | Policy | Practice

Host

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ADMINISTRATIVE BURDEN

POLICYMAKING BY OTHER MEANS

PAMELA HERD AND DONALD P. MOYNIHAN



Image from 9/11 Living Memorial



Jennifer Ailshire @DrAilshire · Apr 1

Just recieved this series of messages from my niece, who was laid off from her waitress/bartender job

I just spent an hour downloading documents for food stamps and health insurance and it wouldn't process it

10:00 AM

I want to cry

10:00 AM

They make it impossible to actually get assistance

10:00 AM

Outline

- What are administrative burdens?
- How do burdens matter?
- How can we reduce them?

Why the term “Administrative Burden”?

- We need a language—and a clear conceptual frame—to talk about the experiences people have when they engage with government, be it when trying to vote or enroll in Social Security.

Are burdens always bad?

NO!

What are Administrative Burdens?

Defining the concept

- Learning Costs
- Compliance Costs
- Psychological costs

Learning costs

- Engaging in search processes to collect information about public services, and how they are relevant to the individual

Compliance costs

- The costs of following administrative rules and requirements

Psychological costs

- Stigma
- Loss of Autonomy
- Stress

Why burdens matter

Burdens are consequential

Opinion

The Coronavirus Stimulus Is Playing Hard to Get

Why do we make it so difficult for people to receive unemployment and other forms of relief?

By Pamela Herd and Donald P. Moynihan

The authors are professors of public policy at Georgetown University.

April 13, 2020



Burdens Affect Participation

PERSONAL FINANCE

Florida unemployment pay drama rages on as residents face evictions

PUBLISHED TUE, MAY 12 2020-8:31 AM EDT | UPDATED TUE, MAY 12 2020-9:23 AM EDT



Greg Iacurci
@GREGIACURCI

KEY POINTS

- Florida has paid unemployment benefits to just 28% of the state's 1.9 million total applicants since mid-March.
- A moratorium on evictions for renters and homeowners is set to expire on May 17, unless the governor extends it.
- The state hasn't yet instituted a 13-week federal increase in unemployment pay.

The New York Times

Banks Warn of ‘Overwhelming’ Demand and Messy Start for Small Business Loans

The government has promised to lend \$349 billion to small businesses starting Friday, but banks and owners have no idea how it will play out.





Trump's food stamp rule change will hurt 19 million households

BY PAMELA HERD AND DONALD MOYNIHAN, OPINION CONTRIBUTOR — 09/06/19 08:00 AM EDT  1,185 COMMENTS
THE VIEWS EXPRESSED BY CONTRIBUTORS ARE THEIR OWN AND NOT THE VIEW OF THE HILL



Burdens are distributive

Exacerbating Inequality: Targeting

- Poor more subject to means-testing, more subject to burdens

Exacerbating Inequality: Human Capital

- Education, economic resources, health, language skills, time and other individual resources shape peoples' ability to navigate burdens.

Christensen, Julian, Lene Aaroe, Martin Baekgaard, Pamela Herd, Donald Moynihan. [Human Capital and Administrative Burden](#). Public Administration Review. 2019. OPEN ACCESS

Exacerbating Inequality: Third Parties

- Connections with third parties also matters

Banks Gave Richest Clients ‘Concierge Treatment’ for Pandemic Aid

Some businesses seeking coronavirus loans got to avoid flaky online portals or backed-up queues. Many other small businesses couldn't get their loan requests submitted before the money dried up.

UNEMPLOYMENT

Universal to Enroll Furloughed Workers into Florida's Unemployment System

BY ASHLEY CARTER | ORLANDO

PUBLISHED 12:30 PM ET APR. 24, 2020

Burdens are constructed

Burdens are constructed

Florida (aide to current Governor):

“It’s a shit sandwich, and it was designed that way by [former Governor] Scott. It wasn’t about saving money. It was about making it harder for people to get benefits or keep benefits so that the unemployment numbers were low to give the governor something to brag about...Everyone we talk to in that office when we ask them what happened tells us: ‘The system was designed to fail.’ That’s not a problem when unemployment is 2.8 percent, but it’s a problem now.”

How to reduce burdens

How public officials should evaluate burdens

Transparency & rationality

- Benefits *and* costs (e.g. people not getting needed benefits) must be considered
- Who is affected (distributional impacts), how are their views/interests considered
- Training
- Sludge audits

Deconstructing burdens: Technology

- Can both reduce and increase burdens

Deconstructing burdens: Automation

- Changing the default and otherwise automating processes – powerful type of nudge that reduces all types of costs
- Relying on ex-post rather than ex-ante checks
- Needs state capable and willing to use administrative data

Deconstructing burdens: When help is required

- Information does not solve compliance problems
- Individuals feel overwhelmed, lack capacity
- Third parties can help, but can reinforce inequality

When nudges are not enough: Shifting the burden to the state

- Design principles
 - Simple
 - Accessible
 - Respectful



That's it!





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Questions?

[Slides from today's presentation](#)