MEMORANDUM

TO: Board of Advisors of the Coalition for Evidence-Based Policy
FROM: Jon Baron
RE: Update on our work

In a potential breakthrough for evidence-based policy, the Office of Management and Budget (OMB) has launched a major new push for the development and use of rigorous evidence in budget, management, and policy decisions across the federal government – see OMB memo *Use of Evidence and Evaluation in the 2014 Budget* to the Heads of the Executive Departments and Agencies.

The initiative incorporates many of the core evidence-based concepts we have promoted through our work with OMB, Congress, and the agencies and – because it is led by OMB and tied to the President’s FY 2014 budget request – is likely to have far-reaching effects on federal agencies and programs.

Of particular note, the OMB guidance:

- **States that** “Agencies should demonstrate the use of evidence throughout their FY 2014 budget submissions. Budget submissions should also include a separate section on agencies’ most innovative uses of evidence and evaluation, addressing some or all of the issues [outlined in the memo].”

- **Describes concrete actions that agencies might include in their submissions**, such as:
  (i) Sponsor low-cost, rigorous evaluations that use administrative data to measure outcomes (the memo links to our recent brief on low-cost randomized trials);
  (ii) Use agencies’ authority to “waive” certain legal/regulatory provisions, in order to rigorously test variations in ongoing programs;
  (iii) Use rigorous evidence on programs’ cost-effectiveness to guide agency funding investments; and
  (iv) Incentivize evidence-based practices in agency grant-making programs (e.g., through a competitive preference priority in the grant selection criteria).

- **Clearly emphasizes evaluations and evidence that meet scientifically rigorous standards (e.g., through use of random assignment).**

We strongly support this new effort. As demonstrated in fields such as medicine and welfare policy, such evidence-based approaches can (i) greatly increase government’s effectiveness in addressing critical national problems in social policy and other areas (as we’ve discussed here); and (ii) identify important opportunities for budget savings to help address the long-term deficit problem (as we’ve discussed here).
The New York Times ran an excellent article this week on the new OMB guidance: "The Dawn of the Evidence-Based Budget." As you'll note, the Times article discusses the bipartisan roots of the effort, and cites the Coalition's work.

We will keep you posted as the initiative goes forward.