

18. STRENGTHENING FEDERAL STATISTICS

Federal statistical programs produce key information to illuminate public and private decisions on a range of topics, including the economy, the population, agriculture, crime, education, energy, the environment, health, science, and transportation. The share of budget resources spent on supporting Federal statistics is relatively modest—about 0.02 percent of GDP in non-decennial census years and roughly double that in decennial census years—but that funding is leveraged to inform crucial decisions in a wide variety of spheres. The ability of governments, businesses, and the general public to make appropriate decisions about budgets, employment, investments, taxes, and a host of other important matters depends critically on the ready availability of relevant, accurate, and timely Federal statistics.

The Federal statistical community remains eager for opportunities to improve these measures of our Nation's performance. For example, during 2009, Federal statistical agencies: (i) incorporated the Troubled Assets Relief Program, Federal assistance to Fannie Mae and Freddie Mac, the American Recovery and Reinvestment Act, and the "cash for clunkers" program into the national economic accounts (Bureau of Economic Analysis); (ii) conducted the Address Canvassing operation for the 2010 Decennial Census, in which more than 150,000 temporary field workers fanned out across the country and verified the addresses and locations of over 140 million housing units in less than four months (Census Bureau); (iii) added three industries to productivity measures, which are used to analyze trends in production costs, to compare trends in efficiency across industries, and to examine the effects of technological improvements (Bureau of Labor Statistics); (iv) developed the full scale Business R&D and Innovation Survey, which will provide government and business policymakers, researchers, and the media with information needed to measure and evaluate the Nation's R&D enterprise and to assess how effective our R&D efforts are in keeping the United States competitive globally (Division of Science Resources Statistics/NSF and the Census Bureau); (v) expanded the Research and Development (R&D) satellite account and developed a framework for capitalizing R&D expenditures in the 2007 benchmark Input-Output accounts (Bureau of Economic Analysis); (vi) collected new data on employer costs associated with pension funds and health coverage and other new data sets targeting specific needs of the Bureau of Economic Analysis, including data on franchising, computer systems integration, patient care, and research and development acquisitions (Census Bureau); (vii) completed the first national assessment of the scope and extent of "food deserts"—areas with limited access to affordable and nutritious food—whose findings will allow targeting of efforts to increase access to healthy, affordable food (Economic

Research Service); (viii) published data for the time period 1959-2007 to gain a more complete understanding of the long-term trends in the number and percentage of persons under age 65 with different types of health insurance coverage and with no coverage (National Center for Health Statistics); (ix) prepared to conduct the first-ever national On-Farm Renewable Energy Production Survey (National Agricultural Statistics Service); (x) used the cost savings from electronic tax return information filing to expand and integrate samples and to increase published data (Statistics of Income Division, IRS); (xi) expanded the program to collect and publish U.S. and regional renewable fuel (mainly ethanol) information (Energy Information Administration); (xii) released the 2007 Commodity Flow Survey data providing characteristics of the 12.5 billion tons of raw materials and goods transported by the Nation's freight transportation system (Bureau of Transportation Statistics); and (xiii) launched a major multi-year project to redesign the National Crime Victimization Survey, which provides the only national data on the extent of crime both reported and not reported to law enforcement as well as the characteristics and consequences of such victimization to the American public (Bureau of Justice Statistics).

For Federal statistical programs to be used by their wide range of users, the underlying data systems must be credible. To foster this credibility, Federal statistical programs seek to adhere to high-quality standards and to maintain integrity and efficiency in the production of data. As the collectors and providers of these basic statistics, the responsible agencies act as data stewards—balancing public information demands and decision-makers' needs for information with legal and ethical obligations to minimize reporting burden, respect respondents' privacy, and protect the confidentiality of the data provided to the Government. This chapter presents highlights of principal statistical agencies' 2011 budget proposals.

Highlights of 2011 Program Budget Proposals

The programs that provide essential statistical information for use by governments, businesses, researchers, and the public are carried out by more than 80 agencies spread across every department and several independent agencies. Excluding cyclical funding for the decennial census, nearly 40 percent of the total budget for these programs provides resources for 13 agencies or units that have statistical activities as their principal mission (see Table 18–1). The remaining funding supports work in more than 70 agencies or units that carry out statistical activities in conjunction with other missions such as providing services, conducting research, or implementing regulations. More comprehensive budget and program

information about the Federal statistical system will be available in OMB's annual report, *Statistical Programs of the United States Government, Fiscal Year 2011*, when it is published later this year. The following highlights elaborate on the Administration's proposals for the programs of the principal Federal statistical agencies.

Bureau of Economic Analysis (BEA): Funding is requested to continue BEA's core programs, and to: (1) improve Foreign Direct Investment statistics by re-examining the coverage and detail of the data collected on multinational corporations, redesigning surveys to maximize their efficiency, and improving the quantity and usefulness of the resulting data; (2) develop a New Economic Dashboard to expand the statistical coverage of the business and government sectors and to develop new data series that will better serve the statistical and regulatory communities including new measures of GDP-by-Industry on a quarterly basis (currently only available on an annual basis) as well as new detail and breakouts of the business sector, with an emphasis on small businesses; (3) produce a new suite of measures of household income distribution, expenses, debt, and savings in "Everyday Economics: The American Household," which will detail household spending power, debt, and the composition of savings to provide critical tools necessary to identify signs of weakness in the future; and (4) create common BEA-EIA statistics on energy supply, consumption, and price data to provide consistent metrics for discussing energy trends and developing forecast models of energy supply and consumption dynamics.

Bureau of Justice Statistics (BJS): Funding is requested to: (1) improve BJS' criminal victimization statistics derived from the National Crime Victimization Survey (NCVS) as well as their usefulness by addressing recommendations of the 2008 National Research Council report, *Surveying Victims: Options for Conducting the National Crime Victimization Survey*; (2) respond to recommendations of the 2009 National Research Council report, *Ensuring the Quality, Credibility, and Relevance of U.S. Justice Statistics*; and (3) maintain BJS' core statistical programs that provide law enforcement data from more than 3,000 local agencies on the organization and administration of police and sheriffs' departments; nationally representative prosecution data on resources, policies, and practices of local prosecutors; court and sentencing statistics, including Federal and State case processing data; data on correctional populations and facilities from Federal, State, and local governments; and information about prisoner re-entry and recidivism.

Bureau of Labor Statistics (BLS): Funding is requested to provide support for ongoing BLS programs, and to: (1) continue development of the new "green-collar" jobs data series, which will measure employment and wages for businesses whose primary activities can be defined as "green," and produce information on the occupations involved, in whole or in part, in green economic activities; (2) expand the Occupational Employment

Statistics (OES) sample to include annual data from a subset of establishments, allowing year-to-year comparisons of occupational trends in employment and wages; (3) modernize the Consumer Expenditure (CE) survey, improving the quality of data generated by the survey and the accuracy of its inputs into the Consumer Price Index (CPI); (4) reduce the variance of the CPI by increasing by 50 percent the number of CPI commodity and services price quotes collected; (5) research how to improve or replace the current survey for identifying the sample of retail outlets that is used to initiate and reprice items in the CPI; (6) modify the CE survey to support the Census Bureau in its development of a supplemental statistical poverty measure; (7) expand BLS's ability to produce estimates for local pay areas for the President's Pay Agent via a new model-based approach that utilizes OES and Employment Cost Index data, while allowing for the elimination of the Locality Pay Surveys (LPS); and (8) restructure the way in which the Current Employment Statistics (CES) program produces State and metropolitan area data estimates and improve the program's response rates for both preliminary and final estimates, thereby reducing the statistical error on the estimates. Savings from the LPS and CES items above, and the elimination of the International Labor Comparisons program, will partially fund these improvements.

Bureau of Transportation Statistics (BTS): Funding is requested to support the development and improvement of transportation system performance measures and for the maintenance of the BTS core statistical programs, including: (1) planning and implementation of the initial phase of the 2012 Commodity Flow Survey; (2) production of transportation statistics related to safety, economic competitiveness, and livable communities; (3) release of monthly statistics on the modes of transportation used in international trade with the U.S. major economic partners; (4) production of a core set of transportation performance indicators including the Transportation Services Index; and (5) collection, analysis, and dissemination of airline performance data.

Census Bureau: Funding is requested for the Census Bureau's ongoing economic and demographic programs and for the 2010 Census. For the 2010 Census program, funding is requested to: (1) compile and deliver State-level population totals from the 2010 Census to the President for the apportionment of seats in the U.S. House of Representatives by December 31, 2010, as well as to deliver data to the States for use in redistricting by March 31, 2011; (2) provide data used for the distribution of Federal funds and for other purposes; (3) complete fieldwork for the Coverage Measurement Program which gathers additional information to identify reasons for differences between pre-census listing operations and post-census records; and (4) conduct evaluations of the 2010 Census. For the Census Bureau's other economic and demographic programs, funding is requested for: (1) the Geographic Support program for improved address coverage, continual update of road and other special data, and

enhanced quality measures of the geographic programs; (2) the American Community Survey program to expand the sample size to increase the reliability of small area estimates, to enhance field and telephone center data collection, to conduct a 100 percent non-response follow-up operation in Remote Alaska and small American Indian, Alaska Native, and Native Hawaiian Homeland areas, and for additional review of three-year and five-year data; (3) expansion of research and production capacities in order to complement the official poverty measures with annual supplementary measures of poverty from the Current Population Survey; (4) using administrative records to simulate the 2010 Census in order to thoroughly examine and document the coverage and quality of major governmental and commercial administrative record sets; (5) enhancing existing data integration infrastructure in order to facilitate more efficient and higher quality record linkage among health surveys and Centers for Medicare & Medicaid Services administrative data; and (6) additional resources devoted to IT security.

Economic Research Service (ERS): Funding is requested to continue ERS' core programs, and to enable ERS to provide the best possible analysis of how USDA policies and programs can better support healthy food choices, healthy consumers, and sustainable and healthy communities by developing data and conducting economic research on the access by low-income communities to affordable and nutritious food and on the local food environment--the type of food retail outlets, food prices, and the availability of fresh, local food sources. Data would be obtained through linking spatial characteristics available in Federal and proprietary data sets including community factors such as race/ethnicity, unemployment rates, public transportation systems, crime rates, school characteristics, USDA food assistance program delivery and participation, local food prices, food store and fast food access and availability, local costs of healthy diets, and other environmental factors. Funds are also requested to maintain data confidentiality and research efficiency during physical relocation of secure data labs. These initiatives would be funded within available resources by reductions in lower priority programs. Additional funding is requested to: (1) use administrative records to better understand how nutrition assistance and other government assistance programs work together to provide a social safety net, to better assess how nutrition assistance and health care policy work together to improve dietary and health outcomes; and (2) serve as the Program Management Office for an interagency Statistical Community of Practice, designed to increase the sharing across agencies of statistical protocols and tools for the collection, storage, analysis, and dissemination of statistical data to improve the statistical system's data quality, ease of use, information security, and system-wide operating efficiency.

Energy Information Administration (EIA): Funding is requested to maintain core energy data, analyses, and forecasting programs critical to energy markets

and policymakers, and to: (1) perform research on energy market behavior and the interrelationship of energy and financial markets; (2) expand surveys of energy consumption in homes, commercial buildings, and manufacturing to provide baseline information critical to understanding energy utilization and for use as the basis for benchmarking and performance measurement of energy efficiency programs; (3) continue to upgrade the aging National Energy Model, which will improve EIA's ability to assess and forecast supply, demand, and technology trends affecting U.S. and world energy markets; and (4) continue to implement improvements in energy data coverage, quality, and integration.

National Agricultural Statistics Service (NASS): The requested funding would reallocate resources by eliminating lower priority programs in order to free resources to: (1) improve county estimates of crop production used to administer risk management procedures as key triggers for crop insurance and disaster recovery programs; (2) expand the number of States that have a cropland data layer and provide NASS the ability to collect additional data on crop conditions, soil moisture, and/or drought monitoring to fill a significant informational gap in current remote sensing to measure climate change; and (3) establish an on-going organic agriculture data series to allow USDA and others to monitor the continued growth, evolution, and understanding of this sector in support of a nutritious domestic and international food supply.

National Center for Education Statistics (NCES): Funding is requested to continue NCES' core programs, and to: (1) conduct the National Assessment of Educational Progress (NAEP), including administration of 2011 national and State reading and math assessments at grades 4 and 8, a national writing assessment at grades 4, 8, and 12, a State grade 4 writing assessment, and assessments for a small number of urban districts that participate in the Trial Urban District Assessments; (2) participate in the 2011 Trends in International Mathematics and Science Study (TIMSS), a study of 4th and 8th grade mathematics and science achievement in the United States and other countries; (3) conduct an equating study between NAEP and TIMSS that would allow States to compare their students' 8th grade mathematics achievement to that of students in other countries; (4) conduct the 2011 Programme for the International Assessment of Adult Competencies, an international assessment that will allow the United States to benchmark its adult literacy with that of other countries; and (5) provide support for the development of statewide longitudinal data systems to allow States to improve their data systems, including ensuring that information is available at the pre-school, postsecondary, and workforce levels in addition to kindergarten through grade 12.

National Center for Health Statistics (NCHS): Funding is requested to continue data collection, analysis, and dissemination activities for NCHS surveys and

maintain sample sizes at the expanded levels of FY 2010, including the National Vital Statistics System, National Health Interview Survey, National Health and Nutrition Examination Survey (NHANES) and National Health Care Surveys; and to: (1) continue providing timely, accurate estimates of high priority health measures; (2) enhance the quality and usability of data access tools through improved tutorials; (3) fully support electronic birth records in all 50 States in FY 2011, and gradually phase in electronic death records over three years; (4) expand the sample size of the National Ambulatory Medical Care Survey to monitor the characteristics of ambulatory care providers and their patients at the national level and in selected States; (5) continue providing NHANES data on diet and nutrition, blood pressure, chronic diseases, and other health indicators; and (6) enhance the National Health Interview Survey to produce annual estimates for selected States on a broad range of health and health care measures.

Office of Research, Evaluation, and Statistics (ORES), SSA: Funding is requested to continue ORES' core programs, and to: (1) modernize ORES' processes for developing and disseminating data from the Social Security Administration's major administrative data files for statistical purposes; (2) support outside surveys and linkage of SSA administrative data to surveys; (3) create new public use files of administrative data, such as earnings histories for a sample of Social Security Numbers, and information on samples of Social Security and Supplemental Security Income beneficiaries; (4) strengthen microsimulation models that estimate the distributional effects of proposed changes in Social Security programs; and (5) develop a topical module for the redesign of the Survey of Income and Program Participation to address Social Security's data needs for microsimulation models, program evaluation, and analysis.

Science Resources Statistics Division (SRS), NSF: Funding is requested to implement ongoing programs on the science and engineering enterprise, and to: (1) continue to implement redesign and improvement activities for a broad range of surveys, particularly the sample frame redesign of the National Survey of College Graduates and the suite of research and development surveys; (2) support the Science of Science and Innovation Policy program's efforts to develop the data, tools, and knowledge needed for a new science of science policy by enhancing the comparability, scope, and availability of international data; (3) field a data collection on postdoctoral students based on pilot activities in FY2010; and (4) expand activities to develop improved data on innovation activities by developing an innovation module for the Business R&D and Innovation Survey and continuing the development of a Microbusiness R&D and Innovation Survey, with data collection expected to begin late in 2011.

Statistics of Income Division (SOI), IRS: Funding is requested to continue SOI's core programs, and to: (1) continue to modernize tax data collection systems, particularly to efficiently assimilate into SOI systems data captured from the electronic filing of tax and information returns; (2) examine means to better mask individual data records to minimize the risk of reidentification in the Individual Public-Use cross-section file; (3) expand and improve dissemination of tax data by implementing a table wizard application on www.irs.gov/taxstats, making data files available through www.data.gov, and supporting focused research projects that have the potential to improve the administration of the tax system; (4) develop statistical techniques to identify outliers and edit data in IRS administrative population files; and (5) provide relevant statistics needed to evaluate and monitor the tax-related provisions of the American Recovery and Reinvestment Act of 2009.

Table 18-1. 2009-2011 BUDGET AUTHORITY FOR PRINCIPAL STATISTICAL AGENCIES¹
(in millions of dollars)

	2009 Actual	Estimate	
		2010	2011
Bureau of Economic Analysis	87	94	109
Bureau of Justice Statistics ²	51	67	70
Bureau of Labor Statistics	597	611	646
Bureau of Transportation Statistics	27	28	30
Census Bureau ³	4169	7355	1297
Salaries and Expenses ³	264	289	310
Periodic Censuses and Programs	3905	7066	987
Economic Research Service	80	82	87
Energy Information Administration	111	111	129
National Agricultural Statistics Service ⁴	152	162	165
National Center for Education Statistics ⁵	255	266	279
Statistics ⁵	116	127	135
Assessment	130	130	135
National Assessment Governing Board	9	9	9
National Center for Health Statistics ⁶	125	139	162
Office of Research, Evaluation, and Statistics, SSA	27	29	32
Science Resources Statistics Division, NSF	39	35	37
Statistics of Income Division, IRS	42	43	44

¹ Reflects any rescissions.

² Includes funds for management and administrative costs of \$6, \$7, and \$7 million in 2009, 2010, 2011, respectively that were previously displayed separately.

³ Salaries and Expenses funds include discretionary and mandatory funds. For the Periodic Censuses and Programs account, FY 2009 includes \$1 billion in American Recovery and Reinvestment Act funding.

⁴ Includes funds for the periodic Census of Agriculture of \$37, \$38, and \$33 million in 2009, 2010, and 2011, respectively. FY 2009 funding was used to summarize and publish the 2007 Census of Agriculture. FY 2010 and FY 2011 funding will be used to continue planned follow-on studies and preparations for the 2012 Census of Agriculture.

⁵ Includes funds for salaries and expenses of \$17, \$18, and \$18 million in 2009, 2010, and 2011, respectively, that are reflected in the Institute of Education Sciences (IES) budget. In addition, NCES manages the IES grant program for the State Longitudinal Data System which is funded at \$65 million, \$58 million, and \$65 million in 2009, 2010, and 2011, respectively.

⁶ All funds from the Public Health Service Evaluation Fund. Administrative costs for NCHS that previously were displayed as part of the NCHS budget line are now reflected in two consolidated CDC-wide budget lines for management and administrative costs.