

## 19. 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 0.04 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 alert for opportunities to improve these measures of our Nation's performance, which is critical to long-term global competitiveness. For example, during 2010, Federal statistical agencies: (i) developed new tools to track the economic recovery such as quarterly measures of the effects of the American Recovery and Reinvestment Act; new quarterly integrated National Income and Product Accounts and Federal Reserve Board financial accounts; and improved measures of services using expanded Quarterly Services Survey data from the Census Bureau (Bureau of Economic Analysis); (ii) published the first monthly estimates of labor force data for veterans and the foreign born, the first annual estimates of labor force data for persons with disabilities, the first national estimates of workplace injuries and illnesses incurred by State and local government workers, and the initial green career information product on careers in wind energy (Bureau of Labor Statistics); (iii) published detailed airline data on departure times, tarmac delays, and arrivals to allow the public to assess air carrier performance (Bureau of Transportation Statistics); (iv) based on the official national resident population count of 308,745,538 on April 1, 2010, from the 2010 Decennial Census, delivered House of Representatives apportionment data to the President (Census Bureau); (v) collected new data on the service sector of the economy including truck transportation and warehousing rental and leasing services; security and commodity dealers; arts, recreation, and entertainment; and additional parts of the health and social assistance sector (Census Bureau); (vi) published a new *Food Environment Atlas* that spatially assembles statistics containing 155 data layers on three broad categories of food environment factors: Community Characteristics, Food Choices, and Health and Well-Being (Economic Research Service, USDA); (vii) produced more accurate estimates of natural gas supply-demand balances for use in calculating monthly natural gas consumption for the

residential and commercial sectors (Energy Information Administration); (viii) released for the first time earnings histories of a one percent sample based on Social Security Numbers that will allow data users to conduct research on labor force issues and the effects of modifying Social Security program rules (Office of Research, Evaluation, and Statistics, SSA); (ix) launched the full scale Business Research and Development (R&D) and Innovation Survey which provides government and business policymakers, researchers, and the media information needed to measure and evaluate the Nation's R&D enterprise and to assess the effectiveness of R&D investments in keeping the United States competitive globally (in partnership with the Census Bureau, National Center for Science and Engineering Statistics, NSF—formerly, Division of Science Resources Statistics, NSF); and (x) produced files linking data from related tax returns as well as longitudinal panel files that provided new insights for tax policy analysis (Statistics of Income Division, IRS).

For Federal statistical programs to be useful to 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' 2012 budget proposals.

### Highlights of 2012 Program Budget Proposals

The programs that provide essential statistical information for use by governments, businesses, researchers, and the public are carried out by agencies spread across every department and several independent agencies. Excluding cyclical funding for the decennial census, approximately 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 19–1). The remaining funding supports work in more than 80 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, including its core programs, will be available in OMB's annual report, *Statistical Programs of the United States*

*Government, Fiscal Year 2012*, 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, giving particular attention to new initiatives and to other program changes, including terminations or reductions.

**Bureau of Economic Analysis (BEA):** Funding is requested to continue BEA's core programs, and to: (1) develop a New Economic Dashboard that will significantly improve the analytical tools available to the public including the regular production of Gross Domestic Product-by-Industry on a quarterly basis (which builds on the prototype quarterly accounts), new detail and breakouts for the business sector, with an emphasis on small businesses, and measures of trends in business investment, production, and asset prices; (2) produce a new suite of measures, "Everyday Economics: The American Household," that will detail the distribution of household spending power, debt, and the composition of savings; (3) create integrated 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; and (4) implement a critical modernization of the Bureau's information technology systems that will lead directly to an increase in the operational efficiency and security of BEA's statistical production and analysis.

**Bureau of Justice Statistics (BJS):** Funding is requested to maintain BJS' core programs, and to: (1) improve the quality and usefulness of BJS' criminal victimization statistics derived from the National Crime Victimization Survey (NCVS) by continuing to address recommendations of the 2008 National Research Council report, *Surveying Victims: Options for Conducting the National Crime Victimization Survey* with special emphasis on sub-national estimates and the crimes of rape and sexual assault; (2) explore the use of administrative records data in police and correctional agencies for providing statistical data in these areas including recidivism estimates; and (3) expand the surveys of inmates of prisons and jails to inform the process of re-entry.

**Bureau of Labor Statistics (BLS):** Funding is requested to provide support for ongoing BLS programs, and to: (1) publish the first set of industry employment data on the green economy, as well as the first set of estimates on occupational staffing patterns and wages at establishments producing green goods and services as part of a 2010 initiative to measure green jobs; (2) continue to increase the sample of commodity and service items priced in the Consumer Price Index; (3) implement a pilot test of individual household member diaries to improve data accuracy in the Consumer Expenditure (CE) Surveys, and increase the CE sample size by eight percent through the introduction of additional geographic areas; (4) implement new questions to the CE Interview Survey to support the Census Bureau in its development of a supplemental statistical poverty measure using CE data; (5) add the Contingent Work Supplement to the Current Population Survey to capture data on contingent work and alternative work arrangements; (6) estab-

lish a new National Longitudinal Survey (NLS) youth cohort to enhance the capability of the BLS to produce timely and relevant data on the U.S. labor market; and (7) elongate the fielding schedules of the 1979 and 1997 cohorts of the NLS of Youth to partially offset the cost of the new cohort. The 2011 initiative to expand the sample in the Occupational Employment Statistics program, which would have facilitated year-to-year comparisons, will be eliminated in order to avoid other programmatic reductions.

**Bureau of Transportation Statistics (BTS):** Funding is requested to maintain BTS' core statistical programs, and to: (1) continue implementation of the 2012 Commodity Flow Survey; (2) enhance production of a core set of transportation performance indicators including the Transportation Services Index; and (3) establish a Safety Data Analysis Program.

**Census Bureau:** Funding is requested to continue Census Bureau core programs, and to: (1) release data, continue evaluations, and conduct contract closeout activities for the 2010 Decennial Census; (2) begin a program of research and testing for the 2020 Census to support fundamental changes to program, business, operational, and technical processes; (3) further increase the sample size for the American Community Survey to boost the reliability of local area estimates; (4) enhance the Government Statistics program by developing new methodologies for measuring revenues, expenditures, and financial assets for publicly sponsored defined-contribution pension plans and to measure costs and liabilities for other post-employment benefits (e.g., health insurance) for public employees; and (5) support activities related to the 2012 Economic Census and the 2012 Census of Governments. The Census Bureau is terminating or reducing funding for several existing programs in order to fund higher-priority activities. Programs being terminated include: (1) Current Industrial Reports, (2) Federal Financial Statistics, (3) Population Distribution, (4) a Demographic Call Center, (5) Foreign Research and Analysis, and (6) the Statistical Abstract; programs being reduced include: (1) Measuring E-business, (2) Demographic Surveys Sample Redesign, and (3) Data Processing Systems.

**Economic Research Service (ERS):** Funding is requested to continue ERS' highest priority core programs, and to: (1) support community access to local foods; (2) enhance the statistical use of administrative records; (3) foster the interagency sharing of best practices for statistical protocols and tools; and (4) establish a Center of Excellence for Behavioral Economics within which both intramural and extramural behavioral economic research will inform food, farm, rural development, and natural resource policy decision making. ERS will apply insights and analytical tools from behavioral economics to policy questions for farm program participation, resource use, technology adoption, and risk management, in addition to on-going work on food assistance.

**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) analyze energy market behavior and the interrelationship of energy and financial markets; (2) support energy literacy through product content and delivery innovations, including development of an integrated dissemination database offering user-friendly, interactive access to a wide range of EIA data; (3) 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; (4) continue upgrades to the 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 (5) continue implementation of improvements in data coverage, quality, and integration.

**National Agricultural Statistics Service (NASS):** Funding is requested to continue NASS' core programs, and to: (1) fully fund the Census of Agriculture; and (2) improve the quality of county estimates. These increases will be partially off-set by: (1) eliminating the quarterly Farm Labor Report; (2) modeling the annual Livestock County estimates from the quinquennial Census of Agriculture, in lieu of conducting a survey; and (3) changing the source of Livestock Prices Received, which will be estimated at the U.S. level using data already available from other USDA sources. In addition, several adjustments have been made to NASS plans proposed in the 2011 President's budget including: (1) in lieu of funding a Rotational Organic Agriculture Study, NASS will collaborate with partnering USDA agencies to collect organic production and price data; and (2) through operational efficiencies, NASS will publish a cropland data layer for the 48 contiguous States. NASS plans to implement its critical 2011 initiative for small area county estimates of crops by re-directing resources toward non-response follow-ups necessary to implement a probability-based design, and to eliminate the July Sheep and Goats inventory survey as proposed in the 2011 President's Budget.

**National Center for Education Statistics (NCES):** Funding is requested to continue NCES' core programs, and to: (1) conduct the National Assessment of Educational Progress, including administration of the 2012 national economic assessment at grade 12, and the long-term trend assessment of mathematics and reading among students at ages 9, 13, and 17; (2) participate in the 2012 Program for International Student Assessment; (3) conduct the 2011-12 administration of the National Postsecondary Aid Study, which is used to analyze student financial aid and to inform public policy on Federal financial aid programs; (4) conduct the second wave of the High School Longitudinal Study of 2009; (5) continue developmental work on mechanisms to measure adults' acquisition of education and training that is oriented towards work, including formal education credentials, industry-recognized credentials, and basic literacy skills; and (6) continue the development of State-wide longitudinal data systems to allow

States to improve their data systems, by 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 that provide information necessary for understanding the health of the population, health care delivery, and unmet health care needs, including the National Vital Statistics System and National Health Care Surveys, and to: (1) increase sample sizes for some surveys, thereby allowing NCHS to increase the number of State-level estimates for certain key health and health care delivery statistics; (2) enhance the quality and usability of data access tools through improved tutorials; and (3) fully support electronic birth records in all 50 States.

**National Center for Science and Engineering Statistics (NCSES), NSF:** Funding is requested to maintain and enhance ongoing programs, and to: (1) increase exploration of new methods to enhance data collection, analysis, and the accessibility of NCSES' data and products; (2) establish a collaboration with several Federal agencies to test the feasibility of tagging and extracting agencies' administrative records to measure research and development (R&D) activity; and (3) develop new transformational data sets that link R&D data traditionally collected by NCSES with outcomes data in order to better measure innovation.

**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; (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; (6) provide enhanced statistical and analytical support for initiatives to improve Social Security and other government agency programs; and (7) expand disability research through the creation of a Disability Research Consortium and commissioning expert studies on critical program design issues.

**Statistics of Income Division (SOI), IRS:** Funding is requested to continue SOI's core programs, and to: (1) further modernize tax data collection systems by efficiently assimilating data captured from the electronic filing of tax and information returns, focusing particularly on increased use and analysis of e-filed individual, corporation, and partnership data; (2) develop and pilot an expert-system for computer coding 22 distinct asset

categories reported as capital gains and losses for the Tax Year 2010 Sales of Capital Assets study; (3) expand and improve dissemination of tax data by implementing a table wizard application, making additional data files available through [www.data.gov](http://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 ad-

ministrative population files; and (5) provide relevant statistics needed to evaluate and monitor the tax-related provisions of the American Recovery and Reinvestment Act; the Hiring Incentives to Restore Employment Act; the Patient Protection and Affordable Care Act; and the Tax Relief, and Unemployment Insurance Reauthorization, and Job Creation Act of 2010.

**Table 19-1. 2010-2012 BUDGET AUTHORITY FOR PRINCIPAL STATISTICAL AGENCIES<sup>1</sup>**

(In millions of dollars)

	2010 Actual	Estimate	
		CR	2012
Bureau of Economic Analysis .....	93	93	108
Bureau of Justice Statistics <sup>2</sup> .....	69	69	66
Bureau of Labor Statistics .....	611	611	647
Bureau of Transportation Statistics .....	27	27	35
Census Bureau <sup>3</sup> .....	7126	1253	1055
Salaries and Expenses <sup>3</sup> .....	289	289	302
Periodic Censuses and Programs .....	6837	964	753
Economic Research Service .....	82	82	86
Energy Information Administration .....	111	111	124
National Agricultural Statistics Service <sup>4</sup> .....	162	162	165
National Center for Education Statistics <sup>5</sup> .....	264	264	279
Statistics <sup>5</sup> .....	125	125	135
Assessment .....	130	130	135
National Assessment Governing Board .....	9	9	9
National Center for Health Statistics <sup>6</sup> .....	139	139	162
National Center for Science and Engineering Statistics, NSF <sup>7</sup> .....	41	41	45
Office of Research, Evaluation, and Statistics, SSA .....	28	31	35
Statistics of Income Division, IRS <sup>8</sup> .....	43	43	44

<sup>1</sup> Reflects any rescissions.

<sup>2</sup> Includes funds for management and administrative costs of \$8.5, \$8.5, and \$8.8 million in 2010, 2011, 2012, respectively, that were previously displayed separately.

<sup>3</sup> Salaries and Expenses funds include discretionary and mandatory funds.

<sup>4</sup> Includes funds for the periodic Census of Agriculture of \$38, \$38, and \$42 million in 2010, 2011, and 2012, respectively. 2010 funding was used to continue planned follow-on studies and preparations for the 2012 Census of Agriculture. 2011 funding will be used to continue those studies and preparations.

<sup>5</sup> Includes funds for salaries and expenses of \$17, \$17, and \$18 million in 2010, 2011, and 2012, 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 \$58 million, \$58 million, and \$100 million in 2010, 2011, and 2012, respectively.

<sup>6</sup> 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.

<sup>7</sup> Includes funds for salaries and expenses of \$6.5, \$6.6, and \$6.6 million in 2010, 2011, and 2012, respectively, that were previously displayed separately.

<sup>8</sup> 2011 and 2012 estimates each include \$2.8 million allocated for IT funding in support of SOI activities.