

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, the environment, agriculture, crime, education, energy, 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 and equitable availability of objective, relevant, accurate, and timely Federal statistics.

The Federal statistical community is attentive to opportunities to improve these measures of our Nation's performance, which is critical to fostering long-term global competitiveness. For example, during 2012, Federal statistical agencies:

- initiated data collection for the 2012 Economic Census from over 29 million business establishments covering 84 percent of economic activity in the Gross Domestic Product (*Census Bureau*);
- released reports updating information about how U.S. students compared to their counterparts in other nations in terms of math, reading, and science skills (*National Center for Education Statistics*);
- released new measures of household expenditures on health care classified by disease that facilitate the assessment of benefits and costs of treatment and provide a better understanding of factors driving growth in health care spending (*Bureau of Economic Analysis*);
- developed statistical techniques and processes to improve the accuracy and coverage of the Census of Agriculture (*National Agricultural Statistics Service*);
- provided timely information and analysis on the impacts of one of the most severe and extensive U.S. droughts in 25 years in order to assess its potential effects on food prices and consumers, farms, and the crop and livestock sectors (*Economic Research Service*);
- reviewed and strengthened methods used to prevent disclosure of taxpayer information in tabulated data disseminated over the Internet in order to preserve taxpayer confidentiality (*Statistics of Income Division, IRS*);
- published, on an experimental basis, a new aggregation structure that includes Producer Price Indexes (PPI) for intermediate and final demand that measure inflation for U.S. services as well as goods, thereby greatly expanding PPI coverage of the United States economy (*Bureau of Labor Statistics*);
- improved public access to 1.4 million data points of annual time-series data summarizing energy production, consumption, prices, and expenditures back to 1960 (*Energy Information Administration*);
- expanded use of administrative records for statistical purposes by entering into two new agreements to link administrative data to survey data in other agencies, thus avoiding investments in more costly surveys (*Office of Research, Evaluation, and Statistics, SSA*);
- provided current national and State-specific (for the largest States) data to track health insurance coverage, including coverage under both traditional and consumer-directed insurance arrangements (*National Center for Health Statistics*);
- launched a new tool providing a direct and user-friendly way to work with 19 years of data about victims of crime (*Bureau of Justice Statistics*);
- provided Commodity Flow Survey respondents, for the first time, with the option to report electronically via the Internet, resulting in reduced costs and overall improvement of data quality (*Bureau of Transportation Statistics*);
- improved the timeliness, quality and efficiency of its Scientists and Engineers Statistical Data System by increasing the sample size of the National Survey of College Graduates for young graduates, thereby improving understanding of the transition to employment of science and engineering graduates (*National Center for Science and Engineering Statistics*); and
- significantly increased the data quality of the American Community Survey by expanding its sample size to 3.5 million households (*Census Bureau*).

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, transparency, 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. The Administration remains committed to unlocking the power of Government data to improve the quality of information available to the American people while maximizing the cost-effective use of resources for the collection of Federal statistics within a constrained fiscal environment. This chapter presents highlights of principal statistical agencies' 2014 budget proposals.

Highlights of 2014 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 18–1). The remaining funding supports work in approximately 90 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 2014*, when it is published later this year. The following highlights 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), Department of Commerce: Funding is requested to provide support for ongoing BEA programs and to better capture and measure the impacts of foreign direct investment (FDI) in the U.S. economy. BEA will improve overall coverage and measurement of FDI by implementing a new survey that will identify and quantify new investment in the U.S. by foreign investors. In addition, BEA plans to: (1) continue to implement a critical modernization of the Bureau's information technology system that will lead to an increase in operational efficiency and security of BEA's statistical production and analysis and (2) continue to develop new measures of Gross Domestic Product (GDP) by industry on a quarterly basis to provide real-time information on the health and stability of sectors within the U.S. economy. BEA will replace its "Advance" GDP by industry measures, which are currently available only on an annual basis, with the new quarterly measures of GDP by industry.

Bureau of Justice Statistics (BJS), Department of Justice: Funding is requested to provide support for ongoing BJS programs and to: (1) improve BJS' criminal victimization statistics derived from the National Crime Victimization Survey with special emphasis on exploring the feasibility of generating sub-national estimates and enhancing data on the crimes of rape and sexual assault; (2) continue exploration of the use of administrative re-

ports data in police and correctional agencies to provide new statistics in these areas, including recidivism information, arrests, and offenses known to the police; (3) expand the surveys of inmates of prisons and jails to inform the process of re-entry; (4) improve the availability of justice statistics for Indian country; and (5) continue to support the enhancement of criminal justice statistics available through State statistical analysis centers.

Bureau of Labor Statistics (BLS), Department of Labor: Funding is requested to provide support for ongoing BLS programs and to: (1) add an annual supplement to the Current Population Survey to capture data on contingent work and alternative work arrangements in even years, and on other topics in odd years; and (2) modify the Consumer Expenditure Survey to support the Census Bureau in its development of a supplemental statistical poverty measure. In order to preserve funding for core statistical programs, the funding request also includes four reductions that would produce savings: (1) eliminate the Green Jobs initiative; (2) eliminate the Mass Layoff Statistics program; (3) eliminate the International Labor Comparisons program; and (4) consolidate BLS IT help desk services.

Bureau of Transportation Statistics (BTS), Department of Transportation: Funding is requested to provide support for ongoing BTS programs and to: (1) continue product dissemination for the 2012 Commodity Flow Survey; (2) expand work on performance measures as required by MAP-21 (Moving Ahead for Progress in the 21st Century Act); (3) identify opportunities to integrate and improve safety data across transportation modes; (4) support collection of data on passenger travel; and (5) develop estimates of the value of transportation infrastructure and facilities to inform DOT investment strategies.

Census Bureau, Department of Commerce: Funding is requested to provide support for ongoing Census Bureau programs and to: (1) continue critical research and testing for the 2020 Census program to support fundamental changes to program, business, operational, and technical processes; (2) complete data collection and the review and publication of industry reports for the five-year benchmarking Economic Census; (3) complete data processing and development of data products for the Census of Governments; (4) deepen and broaden an existing Statistical Community of Practice and Engagement test bed to identify effective automated methods to improve the interoperability of cross-agency statistical and administrative data; and (5) pilot increased collaboration between Census and other Federal agencies, where Census would provide a secure mechanism for restricted access to those agencies' confidential data through its research data centers and possibly establish additional data linkage and disclosure procedures.

Economic Research Service (ERS), Department of Agriculture: Funding is requested to provide support for ongoing ERS programs, including research that: (1) explores how investments in rural people, businesses, and communities affect the capacity of rural economies to prosper in the new and changing global marketplace; (2) improves agricultural competitiveness and economic

growth related to natural resource policies and programs that respond to the challenges of climate change and environmental protection; (3) analyzes the U.S. food and agriculture sector's performance in the context of increasingly globalized markets; (4) evaluates the Nation's nutrition assistance programs to study the relationship among the many factors that influence food choices and health outcomes including obesity; and (5) values societal benefits associated with reducing food safety risks. In addition, funding is requested for the Research Innovations for Improving Policy Effectiveness initiative, which will strengthen ERS' ability to conduct research through the use of behavioral economics and the statistical use of administrative data in order to address critical information gaps that hinder policy effectiveness.

Energy Information Administration (EIA), Department of Energy: Funding is requested to provide support for ongoing EIA programs and to: (1) complete the 2012 Commercial Buildings Energy Consumption Survey, including release of data that provide U.S. benchmarks used to inform investments in new technologies, performance labeling, and energy management practices; (2) launch the 2014 Residential Energy Consumption Survey, which collects information from a nationally representative sample of housing units, including data on energy characteristics of homes, usage patterns, and household demographics; (3) resume modernizing and streamlining data collection processes across energy supply surveys to yield significant efficiencies in the agency's largest operational area; (4) enhance EIA's ability to monitor, forecast, and report on international energy developments; (5) resume upgrades to EIA's forecasting capabilities through the modernization of the National Energy Modeling System; and (6) improve and expand customer internet access to EIA data and information.

National Agricultural Statistics Service (NASS), Department of Agriculture: Funding is requested to provide support for ongoing NASS programs and to: (1) publish Census of Agriculture products by congressional district, watershed, zip code, and Indian reservation; (2) conduct a Farm and Ranch Irrigation Survey to provide one of the most complete and detailed profiles of irrigation in the United States; (3) field a Census of Aquaculture to provide a comprehensive picture of the aquaculture sector at the State and national levels; and (4) produce four of the Current Industrial Reports, previously issued by the Census Bureau.

National Center for Education Statistics (NCES), Department of Education: Funding is requested to provide support for ongoing NCES programs and to: (1) pilot a State-representative sample of the Program of International Student Assessment of 15 year-olds in reading, mathematics, and science for a limited number of participating States; (2) collect student-level institutional administrative data on a 2-year cycle to supplement the National Postsecondary Student Aid Study 4-year student survey data with more frequent information on educational costs, financial aid, enrollment, and progress; and (3) conduct the National Adult Training and Education Pilot Study, in partnership with the Census Bureau, Bureau

of Labor Statistics, and Council of Economic Advisers, to develop a methodology for collecting information on all postsecondary certificates and training, not just on those provided by institutions of higher education.

National Center for Health Statistics (NCHS), Department of Health and Human Services: Funding is requested to provide support for ongoing NCHS programs and to: (1) expand information from NCHS' family of provider surveys in order to monitor health care utilization more closely; and (2) support expansion within base resources of automated National Vital Statistics that are collected by the States and compiled by NCHS in order to fully implement electronic birth records in the two remaining jurisdictions and gradually phase in electronic death records in the 21 remaining jurisdictions over four years. The vital statistics information will be used to improve tracking of priority health initiatives related to births to unmarried women, teenage pregnancy, and causes of death.

National Center for Science and Engineering Statistics (NCSES), National Science Foundation: Funding is requested to provide support for ongoing NCSES programs and to: (1) conduct an R&D survey of nonprofit institutions; (2) conduct the State level R&D survey more frequently; (3) develop and test successful data collection strategies for the Microbusiness Innovation Science and Technology Survey; (4) expand the use of administrative records sources to augment existing survey information on the relationship of Federal grants to Science, Technology, Engineering, and Mathematics (STEM) education and outcomes, innovation, and other R&D information; (5) expand measures on the Survey of Doctorate Recipients to understand the role of, and better target funding of, Federal research support for graduate education and outcomes; and (6) plan and design program modifications to support the development of new science and technology indicators.

Office of Research, Evaluation, and Statistics (ORES), Social Security Administration: Funding is requested to provide support for ongoing ORES programs and to continue to: (1) support outside surveys and linkage of SSA administrative data to surveys; (2) field 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; (3) strengthen microsimulation models that estimate the distributional effects of proposed changes in Social Security programs; (4) provide enhanced statistical and analytical support for initiatives to improve Social Security and other government agency programs; (5) fund retirement-related research through a Retirement Research Consortium; and (6) fund two Disability Research Centers to conduct disability-related research, focusing on collaborative efforts with other government agencies and interagency groups.

Statistics of Income Division (SOI), Department of the Treasury: Funding is requested to provide support for ongoing SOI programs and to: (1) further modernize tax data collection systems by efficiently assimilating data captured from the electronic filing of tax and

information returns to the SOI program; (2) integrate population and information return data with SOI-edited data to provide rich longitudinal and/or cross-sector data that can be used to better understand the complex interaction between taxes and economic behavior; (3) develop improved statistical techniques for identifying and cor-

recting outliers and data anomalies in Internal Revenue Service administrative population files; (4) partner with tax policy experts within and outside government to produce top quality research on important tax administration issues; and (5) enhance the design, quality and number of SOI's products and resources.

Table 18–1. 2012–2014 BUDGET AUTHORITY FOR PRINCIPAL STATISTICAL AGENCIES¹

(In millions of dollars)

	2012 Actual	Estimate	
		2013 CR	2014
Bureau of Economic Analysis	92	93	100
Bureau of Justice Statistics ²	52	56	64
Bureau of Labor Statistics	609	613	610
Bureau of Transportation Statistics	26	26	26
Census Bureau ³	972	940	1013
Salaries and Expenses ³	283	285	286
Periodic Censuses and Programs	689	655	727
Economic Research Service	78	78	79
Energy Information Administration	105	106	117
National Agricultural Statistics Service ⁴	159	160	160
National Center for Education Statistics ⁵	264	265	273
Statistics ⁵	125	126	140
Assessment	130	130	125
National Assessment Governing Board	9	9	8
National Center for Health Statistics ⁶	159	159	181
National Center for Science and Engineering Statistics, NSF ⁷	43	43	49
Office of Research, Evaluation, and Statistics, SSA	29	26	30
Statistics of Income Division, IRS	39	37	37

¹ Reflects any rescissions.

² Includes reimbursable funding to BJS (\$3.7 million) and funds for management and administrative costs (\$7.2 million) totaling \$10.9, \$10.9, and \$10.9 million in 2012, 2013, 2014, respectively, that were previously displayed separately.

³ Salaries and Expenses funds include discretionary and mandatory funds.

⁴ Includes funds for the periodic Census of Agriculture of \$42, \$42, and \$42 million in 2012, 2013, and 2014, respectively. The 2014 Census of Agriculture request will be used for publishing the 2012 Census data and conducting follow-on surveys.

⁵ Includes funds for salaries and expenses of \$17, \$17, and \$17 million in 2012, 2013, and 2014, respectively, that are displayed in the Budget Appendix under the Institute of Education Sciences (IES). In addition, NCES manages the IES grant program for the State Longitudinal Data System which is funded at \$38 million, \$38 million, and \$85 million in 2012, 2013, and 2014, respectively.

⁶ All funds from the Public Health Service Evaluation Fund. The estimates do not include resources from the Prevention and Public Health Fund. The estimates appear larger than previously reported because the FY 2012–2014 levels are comparably adjusted for FY 12 and 13 to reflect business support services formerly shown separately but now included in the FY 2014 budget estimates.

⁷ Includes funds for salaries and expenses of approximately \$7 million each year.