



# The Federal Statistical System: A Primer

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## Overview

The U.S. federal government has a decentralized system of over 100 agencies, organizational units, and programs that engage in *statistical activities*. These entities conduct activities, in varying degrees, relating to the collection, compilation, processing, analysis, and dissemination of data relevant to their missions.

Within this system, the Office of Budget and Management (OMB) identifies 13 principal statistical agencies (PSAs) and three other organizational units that produce a substantial portion of official U.S. statistics. The PSAs are entities whose principal missions are conducting statistical activities for *statistical purposes*, which refers to statistical activities that describe, estimate, or analyze groups without identifying individuals or organizations comprising the groups. OMB has identified about 100 additional federal programs that each conduct at least \$3 million in annual statistical activities. Together, these agencies, units, and programs comprise the federal statistical system (FSS).

Entities in the FSS provide statistical information that stakeholders in the federal government and public can use to inform policy deliberations, research, program administration, and private decisions in many policy and societal contexts, as well as inform the public.

## **Principal Statistical Agencies**

**Bureau of Economic Analysis (BEA)** (Department of Commerce): Produces economic-related statistics, notably the National Income and Product Accounts, which include gross domestic product and other related measures.

**Bureau of Justice Statistics (BJS)** (Department of Justice): Collects, analyzes, publishes, and disseminates data on crime, criminal offenders, victims of crime, and justice system operations at all levels of government.

**Bureau of Labor Statistics (BLS)** (Department of Labor): Produces statistics relating to labor market activity, working conditions, and price changes in the economy.

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**Bureau of Transportation Statistics (BTS)** (Department of Transportation): Produces statistics on commercial aviation, multimodal freight activity, environmental impacts caused by transportation, and transportation economics.

**Economic Research Service (ERS)** (Department of Agriculture): Generates statistics related to agriculture, food, environment, and rural America to gauge the agriculture sector's performance.

**National Agriculture Statistics Service (NASS)** (Department of Agriculture): Produces statistics and prepares reports covering U.S. agriculture. Some notable products include the Census of Agriculture and the annual Agricultural Statistics.

**National Center for Education Statistics (NCES)** (Department of Education): Collects, collates, analyzes, and reports statistics on conditions of American education.

National Center for Health Statistics (NCHS) (Department of Health and Human Services): Collects, maintains, analyzes, and disseminates statistics relating to health, illness, and disability of the U.S. population; health care costs and financing; and vital events (births and deaths).https://www.cdc.gov/rdc/index.htm

**National Center for Science and Engineering Statistics (NCSES)** (National Science Foundation): Responsible for statistical data on research and development, the science and engineering workforce, and U.S. competitiveness in science, engineering, technology, and R&D.

**Office of Research, Evaluation, and Statistics (ORES)** (Social Security Administration): Conducts policy-relevant research and evaluation of various Social Security programs, including solvency proposals and program benefits.

**Statistics of Income (SOI)** (Treasury Department): Under the jurisdiction of the Internal Revenue Service, SOI is mandated by the Revenue Act of 1916 to annually publish statistics related to "the operations of the internal revenue laws."

**U.S. Census Bureau** (Department of Commerce): Provides data on the population and economy and conducts a decennial census, which is used to determine apportionment of House of Representatives seats among the states.

**U.S. Energy Information Administration (EIA)** (Department of Energy): Collects, evaluates, assembles, analyzes, and disseminates data and information relevant to energy.



#### Figure 1. FY2023 Enacted Budget for Principal Statistical Agencies

Source: OMB, FY2024 Analytical Perspectives, Table 9-1

### **Role of OMB**

By statute, OMB is responsible for coordinating the federal statistical system (44 U.S.C. §3504(e)). The OMB Director delegates these responsibilities to the administrator of the Office of Information and Regulatory Affairs (OIRA).

The chief statistician is head of the Statistical and Science Policy office of OIRA and is responsible for providing coordination, guidance, and oversight for the federal statistical agencies and their activities. The position was originally created in 1986 and reauthorized by P.L. 104-13, the Paperwork Reduction Act of 1995.

### **OMB** Directives

OMB has issued Statistical Policy Directives as guidance for agencies that conduct statistical activities. Links to selected directives, which are generally issued to promote quality and coordination of federal statistical activities, are provided below.

Directive No. 1: Fundamental responsibilities of federal statistical agencies and recognized statistical units

Directive No. 2: Standards and guidelines for statistical surveys

Directive No. 3: Compilation, release, and evaluation of principal federal economic indicators

Directive No. 4: Release and dissemination of statistical products produced by federal statistical agencies

Directive No. 7: Metropolitan statistical areas

Directive No. 8: North American industry classification system

Directive No. 10: Standard occupational classification system

Directive No. 15: Standards for maintaining, collecting, and presenting federal data on race and ethnicity

### **Related Statutory Provisions**

A number of statutory provisions relate to the operation of the FSS. Some of the provisions establish institutions, and other provisions establish procedures. OMB's roles—including development of policies and standards for statistical data and information, establishment of an Interagency Council on Statistical Policy (ICSP), and appointment of the chief statistician—are generally specified in 44 U.S.C. §3504(e). Through 5 U.S.C. §314, relevant agencies must designate a "statistical official" to advise on statistical matters and serve on the ICSP.

The Confidential Information Protection and Statistical Efficiency Act (CIPSEA, codified at 44 U.S.C. §3561-3583) establishes confidentiality requirements for data used for statistical purposes collected by federal statistical agencies. More recently, a National Secure Data Service pilot was established in statute through P.L. 117-167.

#### **Potential Issues for Congress**

Numerous issues have been under discussion in the federal statistical community in recent years. The selection of issues listed below are among the subjects that could be of interest to Congress with respect to oversight or legislation:

- Ensuring confidentiality of data while maintaining usefulness.
- Combining data from multiple sources to create more useful data assets while protecting privacy.
- Considering revisions to race and ethnicity statistical standards (formal review of the Statistical Policy Directive No. 15).
- Responding to a long-standing downward trend in survey response rates.
- Utilizing machine learning and artificial intelligence to support complex data analysis.
- Determining funding levels for statistical agencies to address ongoing and future priorities.

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