10. LEVERAGING FEDERAL STATISTICS TO STRENGTHEN EVIDENCE-BASED DECISION-MAKING

The Federal statistical system provides the gold-standard for impartial, trusted Federal statistics, foundational to informing decisions across the public and private sectors. The Executive Branch, the Congress, businesses, and members of the public rely upon the Federal statistical system to provide objective, credible, and reliable data to address key questions pertaining to the economy, education, employment, health, and well-being of the Nation and its citizens. Accurate, timely, and relevant statistical data and products are also critical inputs for other evidence builders, such as researchers and evaluators, and are used in decision-making by Government programs that affect the lives and livelihoods of all people who need services and information.

Addressing ever-expanding information needs of the Nation efficiently and effectively requires more seamless collaboration within the Federal statistical system and across the broader data and evidence ecosystem. Made up of over 100 agencies, units, and programs, as well as officials across the Government, the various parts of the Federal statistical system continue to work together to become more seamless in support of key evidence-building needs. For example, the Federal statistical system is engaging in shared decision-making; using common frameworks, tools, and best practices; and using shared infrastructure, services, and capacities when feasible.

To fulfill these shared system-wide requirements, as well as the critical individual missions of the Federal statistical agencies, units, and programs, enhanced support for the work of the Federal statistical system is needed. The remainder of this chapter provides 1) an overview of the Federal statistical system; 2) a discussion of efforts to move toward a more seamless statistical system; 3) a description of system-wide statistical capacity and infrastructure needs and opportunities; 4) highlights of new and revamped critical Government-wide statistical standards and guidance; 5) priorities and budgets of each of the 16 Recognized Statistical Agencies and Units; and 6) recent achievements of Statistical Officials. For more information on the Budget's related investments in other evidence-building capacity and program evaluation, see the "Building and Using Evidence to Improve Government Effectiveness" chapter in this volume.

An Overview of the Federal Statistical System

Federal statistics have informed decision-making in the United States since its founding. The first constitutionally mandated census of population and housing was in 1790.[1] The 1790 Census planted the seeds for what is referred to as the Federal statistical system. Over the 19th Century, the system continued to blossom into a specialized and decentralized, yet interconnected network of agencies, units, programs, and officials across the Government addressing emerging information demands of the Nation, including in the fields of tax, agriculture, education, and labor. The 20th Century presented new policy needs leading to further expansion of the Federal statistical system that included the fields of commerce, health, energy, justice, transportation, and more.

Today, the Federal statistical system collects and transforms data into useful, objective information and makes it readily and equitably available to stakeholders, while protecting the responses of individual data providers. Federal, State, local, territorial, and tribal governments, as well as businesses and the public, all trust this information to be credible and reliable, and use it to make informed decisions. The Federal statistical system includes the following entities and officials:

- *Office of the U.S. Chief Statistician*. Led by the U.S. Chief Statistician, this office in the Office of Management and Budget (OMB) is statutorily responsible for coordinating the Federal statistical system to ensure its efficiency and effectiveness, as well as the objectivity, impartiality, utility, and confidentiality of information collected for statistical purposes.[2] The office develops and maintains statistical policies and standards, promulgates regulations, identifies priorities for improving statistical programs and methodologies, assesses statistical agency budgets, reviews and approves collections of information from statistical agencies and units, and leads U.S. participation in international statistical activities.

- *24 Statistical Officials*. Each Chief Financial Officers Act (CFO Act) agency[3] has designated a senior staff person in the agency to be the Statistical Official with the authority and responsibility to advise on statistical policy, techniques, and procedures, and to champion statistical data quality and confidentiality. At the 11 CFO Act agencies that contain a Recognized Statistical Agency or Unit, the head of the agency or unit has been designated the Statistical Official, as required by the Foundations for Evidence-Based Policymaking Act of 2018 (Evidence Act).[4]

- *16 Recognized Statistical Agencies and Units*. OMB currently recognizes 16 statistical agencies and units under the Confidential Information Protection and Statistical Efficiency Act of 2002, as amended

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[1] Carroll Wright, Comm'r of Labor, *The History and Growth of the United States Census* 11, S. Doc. No. 194 (1900), available at *https://census.gov/history/pdf/wright-hunt.pdf*.

[2] 44 U.S.C. 3504(e).

[3] See 31 U.S.C. 901(b) (defining CFO Act agencies).

[4] Public Law 115-435, 132 Stat. 5529 (2019).

(CIPSEA; 44 U.S.C. 3561-3583). OMB-recognized agencies or units are organizational units of the Executive Branch whose activities are predominantly the collection, compilation, processing, or analysis of information for statistical purposes. These agencies cover topics such as the economy, workforce, energy, agriculture, foreign trade, education, housing, crime, transportation, and health.

- *Other Statistical Programs*. In addition to the 16 recognized statistical agencies and units, there are approximately 100 other statistical programs that produce and disseminate statistics in support of other mission areas. Often, these programs also conduct a variety of evidence-building functions, such as program evaluation, policy and program analysis, and provision of funding and support for research.[5]

- *Interagency Council on Statistical Policy (ICSP)*. The ICSP,[6] led by the U.S. Chief Statistician, supports the Federal statistical system's vision to operate seamlessly. Membership includes the Statistical Officials and heads of each recognized statistical agency and unit (for a total of 30 unique members, including the Chief Statistician). Working together, the members of the ICSP set strategic goals for modernizing the statistical system, ensuring data quality and confidentiality, attaining and providing safe and appropriate data access, as well as enhancing coordination and collaboration across the system.

- *Federal Committee on Statistical Methodology (FCSM)*. The FCSM was founded in 1975 by the Office of the U.S. Chief Statistician to assist in carrying out the office's role in setting and coordinating statistical policy.[7] The FCSM serves as a resource for OMB, ICSP, and the Federal statistical system to inform decision-making on matters of statistical policy, and to provide technical assistance, expertise, and resources on methodological and statistical challenges that affect Federal data.[8] The FCSM is currently composed of 23 members from across the Federal statistical system, appointed by the U.S. Chief Statistician based on their individual expertise in statistical methods.

The figure on the next page depicts each of the entities that form the interconnected network that is the Federal statistical system. Each provides value by advancing its specific mission and set of responsibilities. Coordination and collaboration enhance the value of each entity and the system as a whole.

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[5] A full listing is included in the Annual Reports to Congress on Statistical Programs of the United States Government, which are available at *https://whitehouse.gov/omb/information-regulatory-affairs/statistical-programs-standards/*.

[6] 44 U.S.C. 3504(e)(8).

[7] More information about the FCSM is available at *https://www.fcsm.gov/about/*.

[8] Resources include the *Framework for Data Quality*, *Data Protection Toolkit*, and *Equitable Data Toolkit*.

Moving Towards a More Seamless Federal Statistical System

As the challenges facing the Nation continue to evolve and become more complex, so does the information required to inform decisions. Addressing the new information needs of the Nation efficiently and effectively requires coordination and collaboration within the Federal statistical system and across a broad set of data partners and users in the data and evidence ecosystem. The system must be more seamless to meet the increasingly-complex needs and demands for various types of data and access to that data, and to do that efficiently and effectively.

Many challenges continue to present themselves, such as *long-term downward trends in survey response*; increased risk of re-identification of confidential information; increased need for more blended data products where data from surveys, administrative forms, *private sector data*, and program records are all combined to generate evidence;[9] and the *potential for artificial intelligence (AI) to both solve urgent challenges and exacerbate societal harms*. While each of the Federal statistical agencies, units, and programs has found innovative ways to address challenges individually, a successful future for the whole Federal statistical system will require more seamless collaboration across the system and across the broader data and evidence ecosystem.

It is not sufficient for individual statistical agencies, units, or programs to focus solely on their individual missions. The vision for the Federal statistical system is to operate as a seamless system, as stewards of much of the Nation's most sensitive data, enabling greater evidence building, civic engagement, and public and private sector decision-making. The system is working together to address cross-system challenges more seamlessly via advancing shared decision-making and communications; using common frameworks, guidelines, techniques, tools, and best practices; using shared infrastructure, services and capacities when feasible; integrating data across agencies and missions; and ensuring a common experience for data users.

Recognizing the potential efficiencies and advancements that could flow from unifying the whole Federal statistical system's infrastructure and expertise, the Office of the Chief Statistician, leaders across the Federal statistical system, the Administration, and the Congress have all sought ways to require, encourage, and expand coordination and collaboration across Government. For example, the Confidential Information Protection and Statistical Efficiency Act of 2018 (CIPSEA 2018), as amended by Title III of the Evidence Act, requires the adoption of common frameworks for activities such as acquiring existing Federal data (e.g., administrative or program data) for statistical uses, protecting confidential statistical data, and providing expanded access to non-public data for statistical purposes. Other provisions of the Evidence Act, as expanded upon by OMB guidance,

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[9] See for example presentations in the linked data track at the 2022 FCSM Research and Policy Conference, which are available at *https://fcsm.gov/events/2022-fcsm-conference/*.

Chart 10–1 THE DECENTRALIZED FEDERAL STATISTICAL SYSTEM
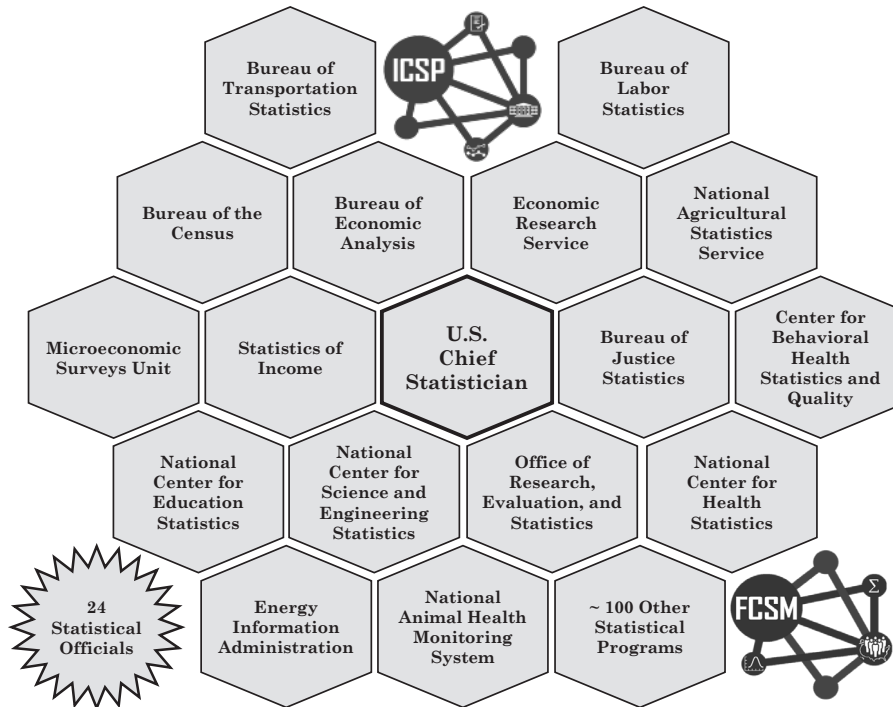
require agency Statistical Officials to facilitate coordination of statistical activities and serve on the ICSP, leading shared decision-making for the Federal statistical system.

Expanded Partnerships, Collaboration, and Engagement

In line with the vision to become more seamless, one collaborative effort across statistical agencies and other Federal agencies is focused on addressing a long-standing barrier to improving the efficiency and comparability of statistical business data. Since enactment of CIPSEA of 2002, the Census Bureau, Bureau of Economic Analysis (BEA), and Bureau of Labor Statistics (BLS) have had statutory responsibility to find efficiencies and reduce reporting burdens on the public by sharing business data, much of which is intermingled with tax data. However, a provision in the Internal Revenue Code limits sharing tax data in a manner that has significantly limited their efforts. The Census Bureau, BEA, BLS, and Departments of Commerce and the Treasury are working on a legislative proposal to remove this statutory barrier in order to increase efficiency and improve statistical products built on shared statistical business data. This was identified as a priority in the 2024 Green Book, Treasury's companion volume with the President's Budget.

In addition to collaborating with each other, statistical agencies and units are also collaborating with external and internal partners, to ensure the system's future success. For example, recognizing the risk of making decisions based on outdated data but not having the resources to make necessary updates, the Bureau of Transportation Statistics (BTS) initiated a partnership with the Department of Energy, other Department of Transportation agencies, and the Census Bureau to restore the more than 20-year-old Vehicle Inventory and Use Survey (VIUS). More agencies have now expressed interest to be part of the next VIUS and to partner with BTS on the first Electric Vehicle Inventory and Use Survey (eVIUS).[10] Additionally, the National Center for Heath and Statistics (NCHS) is modernizing the National Vital Statistics System by working with jurisdictional partners for production use of Fast Health Interoperability Resources (FHIR) to enable bi-directional exchange of mortality data between various jurisdictions and NCHS. FHIR will produce reliable, timely, and high-quality mortality data for critical public health surveillance and research.

The system will also continue to rely on its traditional means of engagement with external stakeholders, such as Federal advisory committees (e.g., the *Federal Economic Statistics Advisory Committee*, the *Bureau of Labor Statistics Technical Advisory Committee*, and the *National Center for Health Statistics Board of Scientific Counselors*), public comment opportunities, and focus groups or listening sessions. Across the Federal statistical system, agencies, the ICSP, and the Office of the U.S. Chief Statistician are building and implementing strategies to more regularly and effectively engage and obtain critical input from members of the public on their work, including data needs and user-friendly, relevant data products. For example, in seeking and implementing projects for the National Secure Data Service (NSDS) demonstration project, the National Center for Science and Engineering Statistics (NCSES) employed the capabilities and infrastructure of NCSES's recently established America's DataHub Consortium, including creating a new *Idea Bank* to receive project ideas from the public. For this ef-

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[10] The Department of Transportation anticipates acting during 2024.

fort, NCSES also participated in other broad stakeholder engagement, outreach, and collaboration efforts with Federal agencies, the National AI Research Resource Task Force, and the State Network of Chief Data Officers, among others.

Forthcoming CIPSEA 2018 Regulations and Guidance

The future success of the Federal statistical system as a lynchpin for evidence building will also require significant growth by recognized statistical agencies and units in how they acquire data and make data safely accessible for public and private sector uses. As required by CIPSEA 2018, OMB, through the Office of the Chief Statistician, is developing three regulations. The Trust Regulation, which was published as a proposed rule in August 2023 and is discussed in more detail below, proposes measures to strengthen OMB-recognized statistical agencies and units as the trusted intermediaries of data, ensuring the objectivity, credibility, relevance, confidentiality, and exclusive statistical use of confidential statistical data.[11] The next two regulations will aim to promote consistent, comparable implementation of policies: 1) to make more Federal data assets accessible to OMB-recognized statistical agencies and units for the purposes of developing evidence;[12] and 2) to safely and securely expand access to data assets of OMB-recognized statistical agencies and units, while protecting such assets from inappropriate access and use.[13] OMB expects to develop and issue future guidance outlining the process by which an agency may be designated an OMB-recognized statistical agency or unit. Getting such policies and regulations right is important to the seamlessness and success of the Federal statistical system.

Building Statistical Capacity and Investing in Essential Statistical Infrastructure

Statistical agency, unit, and program contributions—both individual and collective—are necessary to maintain a strong Federal statistical system and to support the broader data and evidence ecosystem as needs constantly evolve. Accurate, timely, and relevant statistical products are critical inputs for other evidence builders, such as researchers and evaluators, and also for decision-making by Government programs that affect the lives and livelihoods of all people who need services and information. Statistical capacity is required to support these diverse needs efficiently, equitably, and effectively. Statistical products are also a public good; they help businesses and members of the public access services and make informed decisions, and their value increases the more they are trusted and used. Statistical infrastructure is essential to improving agency mission delivery, enabling modernization, and promoting reliability. However, like bridges and roads, statistical infrastructure requires ongoing maintenance and updating.

Individually, Federal statistical agencies, units, and programs regularly assess their work and advance the methods used for collection, analysis, protection, and dis-

semination of their statistical products. They also ensure robust security and information technology (IT) infrastructure is in place to facilitate their work. For example, the Statistics of Income Division of the Internal Revenue Service continued to make progress improving and updating its IT infrastructure. This included implementing a GitLab-based project control system for all its major programs, replacing aged hardware, completing necessary work on cloud-based infrastructure to facilitate system back-ups, implementing new system access logging and data encryption requirements, and ensuring IT management practices align with Federal Information Security Modernization Act (FISMA) requirements. Additionally, many agencies are exploring ways to take advantage of AI to support evidence-based policy and process improvements on behalf of the American people, while ensuring that official statistics are used correctly by AI and that the public receives accurate and trustworthy information. Several other agency-specific examples are highlighted later in this chapter. Without ongoing investments in the statistical infrastructure at each of the OMB-recognized statistical agencies and units, as well as throughout the Federal Government more broadly, the quality and relevance of Federal statistics begins to deteriorate.

Ongoing investments and advancements are also needed at a system-wide level, such as shared infrastructure, services, and capacities, as well as common frameworks, guidelines, techniques, tools, and best practices. For example, CIPSEA 2018 contemplates advancements such as common frameworks for inventorying data, protecting data, acquiring data from other agencies, and disseminating data securely. Executing such common frameworks requires increased interagency engagement when developing new policies or procedures. Several system-wide advancement examples are highlighted in the next section.

Highlights of Recent Significant Advancements Across the Federal Statistical System

Trust Regulation Proposed Rule. Trust is the backbone for the use of Federal statistics for evidence building. Trust in Federal statistics and the producers of Federal statistics underpins the value of those statistics, and each entity within the Federal statistical system must be diligent in upholding this trust. For individuals and entities to provide their data, they must trust the system to protect the confidentiality and exclusively statistical use of the information they provide. Similarly, for consumers of Federal statistical data and products to rely on Federal statistics, they must trust that Federal statistics are free from bias, generated with quality data, and reliable. *Statistical Policy Directive No. 1* identifies four fundamental responsibilities for OMB-recognized statistical agencies and units: 1) relevance and timeliness; 2) accuracy and credibility; 3) objectivity; and 4) confidentiality and exclusive statistical use of data. These four fundamental responsibilities align very closely with the five core values and other aspects of the United Nations' Fundamental Principles of Official Statistics. Importantly, Statistical Policy Directive No. 1 also directs other Federal agencies, including parent departments containing statistical agencies and units, to

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[11] 44 U.S.C. 3563.

[12] 44 U.S.C. 3581(c).

[13] 44 U.S.C. 3582(b).

support, enable, and facilitate statistical agencies and units in meeting these responsibilities, emphasizing the importance of statistical autonomy to maintain trust of data providers, users, and the public.

CIPSEA 2018 incorporated those four fundamental responsibilities, and the corresponding responsibilities of other agencies, into statute. The codification of these responsibilities also signifies their criticality to the statistical infrastructure. By upholding these core responsibilities, agencies ensure the trustworthiness of the Federal statistical system—a necessity as the system takes an expanded role in the generation of evidence to support policy and program decisions. Any doubts or uncertainty about the system could introduce negative effects on markets, investments, economic growth, and job creation. As required by CIPSEA 2018, OMB will promulgate a regulation on the fundamental responsibilities of recognized statistical agencies and units, commonly known as the Trust Regulation. In August 2023, the Notice of Proposed Rulemaking was published in the Federal Register. The comment period closed in October 2023. OMB expects to issue the final regulation in 2024.

Standard Application Process. The Evidence Act required the Federal statistical system to develop a Standard Application Process (SAP) for researchers and other data users to access non-public, restricted use, statistical data for purposes of evidence building. The SAP portal was launched in December 2022 to serve as a single "front door" to apply for restricted access to confidential statistical data from any OMB-recognized statistical agency or unit. It is meaningfully advancing evidence building by increasing safe access to data in a less burdensome and more transparent way for data users.

As of December 2023, the SAP Data Catalog currently includes metadata across over 1,400 datasets available from recognized statistical agencies and units. In its first year of operation, over 525 applications were received through the SAP Portal. The ICSP's SAP Governance Board is responsible for overseeing this system-wide shared service and is working a number of actions to further advance the SAP. The SAP portal demonstrates the strength of the Federal statistical system seamlessly working together and can serve as a launching pad for additional collaboration in support of evidence building by both Federal and non-federal stakeholders.

Federal Statistical Research Data Center (FSRDC). The FSDRC program provides access to confidential, restricted-use statistical data from multiple statistical agencies and units via partner research institutions across the United States and virtual access. In 2023, the *ICSP's FSRDC Executive Committee adopted a new three-prong strategic action plan* to increase equitable access to data, by improving research training support, expanding financial assistance, and enhancing virtual access. This plan aligns the FSRDC program with the obligations of recognized statistical agencies and units to expand secure access to statistical data as codified in CIPSEA 2018.

Aligned with this strategic action plan, one of the NSDS's pilot projects will conduct a landscape analysis of FSRDC user demand and unmet needs, and identify opportunities to expand access beyond the FSRDC's traditional user base, focusing particularly on data users at minority-serving institutions, State and local government, and non-profit institutions. This project will inform not only the FSRDC program, but also how a future NSDS may be designed for broader data access. The FSRDC program is important part of the Federal statistical system's data access ecosystem and expanding access to its critical statistical data resources will ensure a more seamless system overall.

StatsPolicy.gov. In April 2023, the Federal statistical system launched a new public facing website, *StatsPolicy.gov*. The website presents a new avenue to share key information, resources, and news about the Federal statistical system, ICSP, and the Office of the U.S. Chief Statistician.

New Infrastructure Opportunities and Capacity-Development Needs

Envisioning a National Secure Data Service (NSDS). In its final report, the Commission on Evidence-based Policymaking recommended establishing a National Secure Data Service "to facilitate access to data for evidence building while ensuring privacy and transparency in how those data are used."[14]

The NSDS is envisioned as an added capacity for the Federal statistical system to support (not supplant) ongoing work within the individual agencies, and to provide a system-wide capacity to aid with coordination, data sharing, data linkage, shared research and development, and other functions. While the specifics for an NSDS are still being determined, the Federal statistical system would support a future NSDS that would provide shared services for innovation in data linkage, data access, and enhanced confidentiality protections. *Public Law 117-167*, commonly referred to as the CHIPS and Science Act of 2022, authorized the National Science Foundation's National Center for Science and Engineering and Statistics (NCSES) to launch an NSDS Demonstration project.[15] NCSES has worked closely with the Office of the U.S. Chief Statistician and the ICSP to develop demonstration projects that will inform decisions about the form a future NSDS will take, which functions are needed and can be most effective, and what innovations can support an NSDS.[16]

Fourteen NSDS demonstration projects were awarded in 2023 and the first months of 2024. These projects include conducting a systematic review of privacy-preserving technologies, identifying and highlighting new opportunities for using interoperable health data, and creating and validating synthetic data, among others. Some of the projects already awarded will conclude as early as 2024, at which point NCSES and the ICSP will begin to analyze lessons learned from these projects. Lessons learned from these projects and additional projects in the coming years will inform future Federal investments in

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[14] Comm'n on Evidence-Based Policymaking, *The Promise of Evidence-Based Policymaking* 1 (Sept. 7, 2017), available at *https://www2.census.gov/adrm/fesac/2017-12-15/Abraham-CEP-final-report.pdf*.

[15] 42 U.S.C. 19085(b).

[16] More information about the development of the NSDS is available at *https://ncses.nsf.gov/about/national-secure-data-service-demo*.

the NSDS and move the Federal statistical system toward establishing an NSDS envisioned by the Commission on Evidence-Based Policymaking and providing solutions as recommended by Advisory Committee on Data for Evidence Building.[17]

Increasing Capacity for the Statistical Officials. The effectiveness of the U.S. statistical and evidence-building infrastructure is supported by the capabilities, capacity, and resources available to the 24 Statistical Officials to serve their agencies. Pursuant to *OMB Memorandum M-19-23, Phase 1 Implementation of the Foundations for Evidence-Based Policymaking Act of 2018: Learning Agendas, Personnel, and Planning Guidance*, an agency's Statistical Official has the authority and responsibility to advise on, direct, and coordinate statistical policy, techniques, and procedures across the agency, and to provide leadership on confidentiality across all departmental data assets. This work is to be done in collaboration with Federal data partners, such as the Chief Data Officer (CDO), Evaluation Officer, Senior Agency Official for Privacy, Chief Information Officer, and Chief Artificial Intelligence Officer. The Statistical Official must be an active participant on the ICSP and the agency's Data Governance Body. To promote the ability of Statistical Officials to meet these responsibilities, agencies will pursue a foundational investment of no less than two full-time equivalent (FTE) positions to support this work. In 2023, the ICSP established a subcommittee focused on Statistical Official roles and responsibilities to further develop, coordinate, support, and communicate standards, policies, and procedures related to the role of the Statistical Official.

Investing in New and Revamped Critical Government-Wide Statistical Standards and Guidance

Pursuant to the Paperwork Reduction Act of 1995 (Public Law 104-13), the Office of the U.S. Chief Statistician develops statistical policies, guidance, standards, and best practices and maintains them through periodic review and revision, to ensure their relevance.[18] Much of this work is accomplished through interagency coordination, including across the Federal statistical system, in collaboration with the ICSP and through public engagement. Over the last year, the Office of the U.S. Chief Statistician disseminated several updates to and made progress on advancing other statistical policies, guidance, standards, and best practices. Below are a few highlights.

Federal Standards for Collecting and Reporting Race and Ethnicity

First, reflecting a top priority of the Office of the U.S. Chief Statistician and the Federal statistical system, in 2022, the Office of the U.S. Chief Statistician *launched a formal review of Statistical Policy Directive No. 15: Standards for Maintaining, Collecting, and Presenting Data on Race and Ethnicity (SPD 15)*. SPD 15 provides

minimum standards for race and ethnicity that ensure the ability to compare data across Federal agencies and also to understand how well Federal programs serve a diverse America. The Office of the U.S. Chief Statistician is leading a revision process, similar to those used for other trusted statistical standards, to help ensure the rigor, validity, objectivity, and impartiality of the resulting revisions. This process includes convening an interagency technical working group to ensure perspectives from across the Executive Branch are incorporated into the recommendations for any revision.

This working group, which includes participants from more than 20 agencies across the Federal Government, convened in Summer 2022 to begin developing a set of recommendations for improving the quality and usefulness of Federal race and ethnicity data. Because SPD 15 is designed, in part, to clarify how well Federal programs serve racially and ethnicity diverse populations, this working group used multiple approaches for engaging with communities and members of the public from across the United States to inform their recommendations for revisions.

First, OMB published a set of initial proposals developed by the working group based on existing research in a Federal Register Notice (FRN) in January 2023. The FRN received over 20,000 *written public comments* over a 90-day period. Second, the working group conducted a listening tour that included a tribal consultation and three virtual town halls open to the public. More than 200 town hall attendees spoke to share their perspectives and more than 3,500 callers joined to listen. Third, the working group hosted over 90 *biweekly listening sessions* from September 2022 through September 2023 to give members of the public the opportunity to meet with members of the working group and share their input. The working group heard directly from over 100 speakers on a variety of topics during the listening sessions. Fourth, the working group engaged with scholars and technical experts at various professional association conferences and convenings. Finally, the working group launched *spd15revision. gov* to provide information and updates about the revision process. The working group has been reviewing and synthesizing the comments received through its many outreach efforts to issue final recommendations based on relevant research and public feedback. OMB expects to release an update to SPD 15 by no later than Summer 2024.

Core-Based Statistical Areas

Related to *Statistical Policy Directive No. 7: Metropolitan Statistical Areas*, in July 2023, OMB published *Bulletin No. 23-01: Revised Delineations of Metropolitan Statistical Areas, Micropolitan Statistical Areas, And Combined Statistical Areas, and Guidance on Uses of these Areas*. OMB first published a delineation of Core-Based Statistical Areas (CBSAs) following the 1950 census in order to provide the Federal statistical system with a consistent geographic framework for official statistics. This most recent update to the CBSAs is the first update to use population data from the 2020 Decennial Census. It is also the first update published following

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[17] Advisory Comm. on Data for Evidence Building, *Year 2 Report* (Oct. 14, 2022), available at *https://www.bea.gov/system/files/2022-10/acdeb-year-2-report.pdf*.

[18] 44 U.S.C. 3504(e).

enactment of the Metropolitan Areas Protection and Standardization Act of 2021, which recognized the importance of maintaining the objective statistical basis of the CBSAs by requiring OMB to "ensure that any change to the standards of core-based statistical area . . . delineations shall . . . not be influenced by any non-statistical considerations such as impact on program administration or service delivery."[19]

Standard Occupational Classification System

In December 2023, the Office of the U.S. Chief Statistician and the interagency Standard Occupational Classification Policy Committee (SOCPC) launched the 2028 revision process for *Statistical Policy Directive No. 10: Standard Occupational Classification (SOC) System*. The SOC provides meaningful statistics on the labor market and economy broadly by ensuring that occupational data collected and published across recognized statistical agencies and units are consistent and comparable. The SOCPC is responsible for reviewing and maintaining the SOC and for providing recommendations to the U.S. Chief Statistician for possible revisions. The SOCPC expects to solicit public feedback on the SOC as part of its work and to help inform its recommendations. OMB plans to issue the final 2028 SOC sometime ahead of 2028.

North American Industry Classification System and Product Classification System

In September 2023, the Office of the U.S. Chief Statistician and the interagency Economic Classification Policy Committee (ECPC) initiated planning for the 2027 revision process for *Statistical Policy Directive No. 8: North American Industry Classification System* (NAICS), as well as the North American Product Classification System (NAPCS).[20] The NAICS is a standard classification of business establishments enabling measurement of U.S. industrial output across 20 sectors of the economy. The NAPCS is a hierarchical classification for products (goods and services). The NAICS and NAPCS ensure that industry and product data are collected and published across recognized statistical agencies and units in a consistent and comparable way. The ECPC is responsible for reviewing and maintaining the NAICS and NAPCS and for providing recommendations to the U.S. Chief Statistician for possible revisions. The ECPC will solicit public feedback as part of its work and to help inform its recommendations.

Relevant to this work and in response to Executive Order 14081, "Advancing Biotechnology and Biomanufacturing Innovation for a Sustainable, Safe, and Secure American Bioeconomy," the Office of the U.S. Chief Statistician convened an interagency technical working group in December 2022, charged with developing a set of recommendations for bioeconomy-related revisions to the NAICS and NAPCS. To inform this work, OMB published a *request for information in the Federal Register* in April 2023 seeking input from interested communities, researchers, and the public. The working group also conducted listen-ing sessions. This input informed the set of recommended revisions provided to the U.S. Chief Statistician and the ECPC in September 2023. The working group continues to meet to report on Federal agency use of NAICS and NAPCS and to further develop recommendations for revisions to the NAPCS. In turn, the ECPC will use these insights in their review and revision process for the 2027 NAICS and NAPCS. OMB plans to issue the final 2027 NAICS and NAPCS sometime ahead of 2027.

Natural Capital Accounting and Environmental Economic Statistics

OMB, through the Office of Information and Regulatory Affairs, jointly led the development of the *National Strategy for Statistics for Environmental Economic Decisions* (National Strategy) with the Office of Science and Technology Policy and the Department of Commerce, published in January 2023. This strategy was the product of a policy working group representing 27 agencies across the Executive Branch, and incorporated feedback from the public received in response to a *Federal Register notice*. Execution of this 15-year strategy will result in a new, reliable, regularly updated statistical series of data that will connect the environment and the economy to better inform decisions about the environment. To meet these goals and develop comparable, consistent statistical series, the plan envisions the Office of the U.S. Chief Statistician playing a leading role in coordinating this work across the Executive Branch, as well as developing relevant statistical classification systems.

To begin the technical work, in October 2023, the Office of the U.S. Chief Statistician launched an Environmental-Economic Accounting interagency technical working group focused on building economic classifications for what the National Strategy names as Phase I natural capital accounts, plus "Forests" from Phase II.[21] The working group expects to solicit public feedback as part of its work and new account classifications will be consistent with international statistical standards, particularly those of the United Nations Standard National Accounts and System of Environmental-Economic Accounting. A first major product of this working group will be recommendations for new account classifications to the U.S. Chief Statistician by the end of 2025.

The Office of the U.S. Chief Statistician and BEA are also leading technical cooperation for the U.S. under a *trilateral Agreement* among the U.S., Australia, and Canada to work on natural capital accounting topics of common interest to their respective national economic accounts. This is reflective of international interest in more explicitly measuring humans' relationships with the environment.

Best Practices for Collecting Sexual Orientation and Gender Identity Data on Federal Surveys

Federal surveys play a vital role in generating the data that the public, businesses, and Government agencies need to make informed decisions. Measuring the sexual orientation and gender identity of the population in Federal

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[19] 44 U.S.C. 3504(e)(10)(B).

[20] More information on NAICS is available at *https://www.census.gov/naics/*. More information on NAPCS is available at *https://www.census.gov/naics/napcs/*.

[21] Off. of Sci. & Tech. Pol'y, Off. of Mgmt. & Budget, and Dep't of Com, *National Strategy to Develop Statistics for Environmental Economic Decisions* (Jan. 2023), available at *https://www.whitehouse.gov/wp-content/uploads/2023/01/Natural-Capital-Accounting-Strategy-final.pdf*.

surveys improves understanding of the LGBTQI+ population and supports evidence-based policymaking. Changes in terminology, among other social changes, could impact the ways sexual orientation and gender identity (SOGI) data should be collected to meet the purposes of various surveys, so measurement practices for SOGI data need to be flexible and adapt over time to maintain usefulness.

In January 2023, the Office of the U.S. Chief Statistician published *Recommendations on the Best Practices for the Collection of SOGI Data on Federal Statistical Surveys*, fulfilling the requirement of Section 11(e) of Executive Order 14075, "Advancing Equality for Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex Individuals." This report includes recommendations that were built on a long history of robust Federal effort to develop and refine SOGI measurement best practices. It highlights the importance of continual learning, offers best practices for including SOGI items on Federal statistical surveys, provides example approaches for collecting and reporting SOGI information, offers guidance on how to safeguard SOGI data, and concludes with a summary of challenges that warrant further research.

Highlights of 2025 Recognized Statistical Agency and Unit Budget Proposals

Each of the 16 OMB-recognized statistical agencies and units plays an important role in the Federal statistical system, leading development and dissemination of Federal statistical products and services, and coordinating with other agencies and units to promote a more cohesive seamless system. The collective priorities reflected in the Budget demonstrate the commitment of those Recognized Statistical Agencies and Units to advancing not only their own missions, but the more coordinated future of the Federal statistical system.

- *Bureau of the Census (Census Bureau), Department of Commerce*. Funding is requested to support ongoing core programs and to: 1) continue a multiyear process of transforming its organization and operations from a survey-centric model to a data-centric model that blends survey data with administrative and alternative digital data sources; 2) use resources for developing new data products, improving data methods and quality, investing in crosscutting research techniques, and investing in Enterprise technology; 3) integrate its programs into its data ingest and collection for the Enterprise initiative, which provides common capabilities for data collection and ingest to programs across the Enterprise; 4) launch the design and integration phase for the 2030 Census program; 5) establish an annual Puerto Rico Economic Program and strengthen current population estimates, as well as establish and maintain infrastructure supporting the intercensal population estimates; 6) modernize and increase the household sample of the Survey of Income and Program Participation; 7) support a focus on privacy enhancing technology and protecting Americans' privacy against AI

threats; and 8) onboard surveys into the new dissemination system and advance support tools.

- *Bureau of Economic Analysis (BEA), Department of Commerce*. Funding is requested to: 1) support core programs, including the production the National, Regional, and International Economic Accounts, which include of some of the Nation's most critical economic statistics, such as Gross Domestic Product and international trade in services; 2) support research on new, emerging, and important topics in the economy, including global value chains, the distribution of personal income and consumption expenditures, the digital economy, the space economy, and health care; 3) support research that will explore new and innovated methods, including the use of data science techniques; and 4) develop a new system of U.S. Environmental-Economic Accounts to systematically measure the contribution of environmental economic activities to economic growth.

- *Bureau of Justice Statistics (BJS), Department of Justice*. Funding is requested to support ongoing data collections and to: 1) explore new uses of current BJS data; 2) identify and use new administrative data sources; 3) create new efficiencies to collect and disseminate timely and high-quality data, including the development of a real-time crime dashboard to collect, standardize, and publish crime data online in a form that can be accessed and interpreted by a wide variety of audiences; 4) implement the capability to conduct rapid response surveys to allow for more timely research using commercial probability-based online survey panels; 5) implement a Survey of Formerly Incarcerated Persons; 6) develop a Corporate Crime Database; 7) conduct a survey of State Sentencing Commissions; 8) implement the Law Enforcement Calls for Service data collection; 9) conduct a Census of Problem-Solving Courts; 10) conduct a Survey of Digital Evidence Analysis; and 11) develop a two-phase, nationally-representative Survey of Law Enforcement Leadership to examine the existing policies and roles of first-line supervisors within law enforcement agencies.

- *Bureau of Labor Statistics (BLS), Department of Labor*. Funding is requested to support and maintain core programs and to: 1) produce gold-standard data and analyses; 2) understand changes in the economy while safeguarding respondent confidentiality; 3) ensure data are released appropriately; 4) pursue new technologies and non-traditional data sources; and 5) identify efficiencies to improve data accuracy, lower respondent burden, increase survey responses, and better reach its customers, while providing its diverse customer base high-quality data for decision-making.

- *Bureau of Transportation Statistics (BTS), Department of Transportation*. Funding is requested to support core programs and to: 1) to develop methods and tools to improve the ability of transportation infra-

structure asset owners to assess climate change vulnerability of their assets and projects, identify evidence-based approaches to resilience improvements, and estimate their financial risks associated with the impact of climate change through the Climate Change Vulnerability Study; 2) implement parts of the Ocean Shipping Reform Act of 2022; 3) advance Statistical Official functions; 4) identify new statistical methods to estimate system-wide freight flows at the county level; and 5) implement the SAP.

- *Center for Behavioral Health Statistics and Quality (CBHSQ), Department of Health and Human Services*. Funding is requested to support ongoing, core programs and to further support CBHSQ's implementation of the SAP by: 1) using the SAP portal to process all incoming data requests; 2) designating researchers as CIPSEA agents upon completion of confidentiality training and submission of completed and notarized Designated Agent Form; and 3) reviewing all output received from either the NCHS Research Data Center or FSRDC program to ensure it meets disclosure requirements as stipulated by the agency's *Guidelines for SAMHSA RDC Data Users*.

- *Economic Research Service (ERS), Department of Agriculture*. Funding is requested to support core programs and to: 1) continue its work on democratizing data by engaging with external partners, such the Extension Foundation, State agencies, academic institutions, and other organizations; and 2) understand how ERS data are used, constraints with using the data, and ways to encourage greater access across diverse stakeholder groups. This work will extend previous pilot efforts to ensure more equitable and diverse access to ERS data.

- *Energy Information Administration (EIA), Department of Energy*. Funding is requested to continue delivering the critical data, analysis, forecasts, and long-term energy outlooks on which its stakeholders rely, and to: 1) field a pilot collection to measure the extent of utility disconnections resulting from arrears in customer payment in response to stakeholder interest in developing evidence to measure equity and energy insecurity; 2) release official statistics from the pilot collection in 2025; 3) join the FSRDC program, which will facilitate EIA's data access in conjunction with the SAP; and 4) move forward with a next-generation energy model to improve scenario analysis for decarbonization pathways.

- *Microeconomic Surveys Unit, Board of Governors of the Federal Reserve Board (FRB)*. Funding is requested to support ongoing, core programs and to improve the Survey of Consumer Finance by enhancing survey content, reducing respondent burden, and increasing data quality.

- *National Agricultural Statistics Service (NASS), Department of Agriculture*. Funding is requested to

support core programs and to: 1) serve as co-lead (with ERS) of the Inflation Reduction Act (IRA) Greenhouse Gas (GHG) Quantification Action Area team, to improve the temporal and spatial coverage of national conservation activity data for official USDA GHG Inventory reporting and modeling for the Agriculture and Forestry sector; 2) lead the effort to establish the USDA IRA Conservation Data Team Enclave in the Research, Education and Economics (REE) CIPSEA Azure Cloud, which is specifically designed for use by the Interagency Conservation Practices Data Team and will enable team members to process and integrate the diverse data sources contributing to the Conservation Practice Data Series; 3) contribute to climate-related activities across USDA including a White House Interagency Technical Working Group on Measurement, Monitoring, Reporting and Verification of GHGs for the Agriculture and Forestry sector to coordinate and accelerate Federal efforts to enhance measurement and monitoring of GHG emissions and removals from the atmosphere; 4) participate in the Agriculture Innovation Mission for Climate Summit, the REE Climate Research Strategy Team, the USDA Global Change Task Force, and the USDA Climate Adaptation Team; 5) participate in the SAP Technical Working Group; and 6) transition all agency data access requests to the SAP.

- *National Animal Health Monitoring System (NAHMS), Department of Agriculture*. Funding is requested to provide support for NAHMS ongoing activities and to: 1) collect data that will inform and support various animal health programs of the Animal and Plant Health Inspection Service; 2) pursue modernization efforts to increase efficiencies and timeliness; 3) partner with other statistical agencies to conduct statistical activities such as partnering with ERS to support questionnaire design for an upcoming study of the U.S. broiler industry; 4) support information collections on the health and productivity of the U.S. poultry and dairy population; and 5) explore opportunities to work with new and underserved aquaculture and livestock producer populations.

- *National Center for Education Statistics (NCES), Department of Education*. Funding is requested to provide support for NCES ongoing activities and to: 1) add findings to its Equity in Education Dashboard, which compiles key findings and trends on the current state of educational equity in the United States; 2) add items to the Integrated Postsecondary Education Data System (IPEDS) Admissions survey in 2025–2026 to better understand equity in early decision and early admission processes, and to better study non-first-time students; and 3) participate in interagency work related to the SAP through extensive participation in the SAP Technical Working

Group focused on the SAP Portal and co-chairing the SAP Policy and Budget sub-working group.

- *National Center for Health Statistics (NCHS), Department of Health and Human Services*. Funding is requested to support its base programs and to: 1) track detailed health and demographic information about the U.S. population, providing policymakers with the information needed to support evidence-based decision-making, track progress, and measure disparities; 2) monitor key health indicators by supporting its ongoing surveys and data collection systems, which obtain information from personal interviews, healthcare records, physical examinations, lab tests, and vital event registrations; 3) offer the Virtual Data Enclave as a new mode for researchers to remotely access NCHS's restricted-use data without the burden of traveling to a physical FSRDC; and 4) launch the NCHS Data Query System, which will make data discovery faster and easier by providing web users access to health statistics from many data collection systems in one central repository and will promote health equity research by allowing the audience to filter national statistics by factors that influence health, such as demographic, socioeconomic, and geographic characteristics.

- *National Center for Science and Engineering Statistics (NCSES), National Science Foundation*. Funding is requested to provide support for ongoing activities

and to: 1) develop evidence-building infrastructure activities for Government-wide shared services including the SAP; 2) continue implementation of the NSDS Demonstration projects, including continued support for the establishment of a secure compute environment for secure data linking and testing privacy preserving technologies; 3) support methodological research and data collections to improve quality and reporting for understanding the science and engineering enterprise in a global context; 4) continue data collection and research of the Nation's skilled technical workforce and its relevance to economic recovery and industries of the future, including AI, cybersecurity, and the bioeconomy; 5) develop robust metadata to link to non-NCSES data sets; 6) plan for the potential implementation of findings from feasibility studies and topical module development efforts for the NCSES surveys; and 7) implement user experience improvements to the National Science Board's Science and Engineering Indicators suite of reports.

- *Office of Research, Evaluation, and Statistics (ORES), Social Security Administration*. Funding is requested to support core programs and to: 1) conduct research on Social Security programs and their beneficiaries, including publishing papers in the Social Security Bulletin; 2) provide policymakers and the public with objective, scientific, and methodologically sound information and analysis; 3) automate

Table 10–1. 2023–2025 BUDGET APPROPRIATIONS FOR RECOGNIZED STATISTICAL AGENCIES AND UNITS[1]

(In millions of dollars)

Agency	Actual 2023	Estimates	
		2024	2025
Bureau of the Census[2]	1,503.9	1,503.9	1,596.6
Bureau of Economic Analysis	130.0	130.0	138.5
Bureau of Justice Statistics	42.0	42.0	42.0
Bureau of Labor Statistics	698.0	698.0	711.5
Bureau of Transportation Statistics[3]	29.3	29.5	38.8
Center for Behavioral Health Statistics and Quality, SAMHSA	122.0	122.0	122.0
Economic Research Service	92.6	92.6	98.0
Enery Information Administration	135.0	135.0	135.0
Microeconomic Surveys Unit, FRB[4]	3.4	4.5	18.5
National Agricultural Statistics Service[5]	211.1	211.1	195.0
National Animal Health Monitoring System, APHIS	3.9	3.9	4.0
National Center for Education Statistics	369.8	382.4	382.4
Statistics	138.5	144.8	144.8
Assessment	223.5	228.3	228.3
National Assessment Governing Board	7.8	9.3	9.3
National Center for Health Statistics	187.4	187.4	187.4
National Center for Science and Engineering Statistics, NSF	88.9	91.2	96.9
Office of Research, Evaluation, and Statistics, SSA	40.0	41.3	41.4
Statistics of Income Division, IRS	41.7	45.6	52.2

[1] Reflects any rescissions and sequestration.
[2] Agency Total includes discretionary and mandatory funds.
[3] 2023, 2024, and 2025 estimates reflect an allocation account from the Highway Trust Fund.
[4] 2025 estimate reflects funding for the Survey of Consumer Finance.

and modernize the production of statistical publications; 4) utilize the expertise of researchers around the United States through grants and contracts, such as the Retirement and Disability Research Consortium; 5) provide objective, secure data and statistics while protecting privacy through strict adherence to disclosure review policies; and 6) work on ICSP initiatives to implement requirements of the Evidence Act.

- *Statistics of Income Division (SOI), Department of the Treasury*. Funding is requested to support ongoing statistical programs, which released more than 640 tables and datasets to the public in 2023, and to: 1) make progress on projects that will expand access to tax data through the release of synthetic datasets, pilot a validation server process, stand-up a new service to provide tabulated tax data in support of program evaluation for Federal, State, local or tribal governments, and provide support and oversight for research conducted under SOI's Joint Statistical Research Program; 2) produce and release data describing new clean energy tax credits that will be reported for the first time on tax returns filed in 2024; 3) develop in house capacity to generate and deploy new disclosure limitation tools, based on principles of differential privacy; 4) make progress in developing statistical estimates that can help users understand the impact of tax policies and tax administration practices on taxpayers across a range of demographic groups; 5) explore the use of AI-related tools such as natural language processing, to automate manual processes and derive information from non-traditional data sources; 6) expand the availability of tax data to the Census Bureau and the FSRDC program; and 7) modernize SOI's web pages and products, develop division-specific branding, and expand user-engagement activities.

Recent Highlights and Achievements of Statistical Officials

Each Statistical Official has an important role to play not only for their own agency, but also the more seamless future of the Federal statistical system. As noted previously, effective expansion of the U.S. statistical and evidence-building infrastructure will require increasing the capabilities, capacity, and resources for the 24 Statistical Officials to serve their agencies and departments, and will require an initial investment of no less than two FTE positions to support these responsibilities. Some agencies may still be staffing the function to meet this initial minimum investment level.

The accomplishments of the Statistical Officials are varied in content and scope, and are expected to grow over the coming years. Nevertheless, in their current capacity, the Statistical Officials engage in projects with real-life impacts on the Federal statistical system, the Federal Government, and the American people. Statistical Officials' 2023 impact is detailed in *Statistical Officials Highlights and Achievements*. A few examples include:

- The Statistical Officials, such as at the Departments of Commerce, Defense, Interior, State, Transportation, the Treasury, and the Small Business Administration are evaluating strategies for the use of AI in Federal statistics to support evidence-based policy and process improvements on behalf of the American people.

- The General Services Administration (GSA) Statistical Official worked with the GSA Office of Evidence and Analysis to develop a Data Quality Index pilot project to gauge the data quality of Government-wide data assets and target areas for improvement.

- The Environmental Protection Agency (EPA) Statistical Official provided guidance on the development of statistical surveys, conducted statistical analysis to support agency decision-making, and developed new statistical products to support key EPA priorities, including addressing climate change and advancing environmental justice. For example, EPA finalized new statistical estimates of the Social Cost of Greenhouse Gases to inform agency decisions via evidence on the social benefits of mitigating climate change-inducing pollution.

Conclusion

Realizing the full potential of Federal statistics for effective evidence building requires ongoing, robust investments and growth in both agency-specific and system-wide statistical capacity and infrastructure. Such investments are enhanced by effective collaboration and coordination across the Federal statistical system. Ongoing investments in system-wide statistical capacity and infrastructure must be made to meet the increasing demands for data access and the new challenges to the public trust that arise in the context of the evolving data landscape.