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DECEMBER 7, 2018 COPAFS MEETING

COPAFS Chair Linda Jacobsen started the meeting by introducing Cynthia Clark as the new Executive Director. Clark remarked on her experience at US and international agencies, and expressed enthusiasm for leading COPAFS in its mission to advance excellence in federal statistics. Maurine Haver introduced the slate of board members for 2019 including Linda Jacobsen (Chair), Chet Bowie (Vice Chair), Stephen Tordella (Treasurer), John Haltiwanger (Secretary), Maurine Haver (Past Chair), and at large members Ken Hodges, Andy Weiss, Felice Levine, and Ron Wasserstein, who has agreed to take the board position vacated by Cynthia Clark.

Update on the Federal Statistical System.

Nancy Potok. Chief Statistician of the United States. Office of Management and Budget

Reflecting on the past year, Potok described OMB's progress in modernizing the federal statistical system. She touted administration support for the proposed move of BLS to the Commerce Department, saying OMB is now fully onboard with the proposal, and intends to use budgets as a lever to push it forward. Details need to be worked out, and legislation might have to be passed, but Potok expressed optimism that we are in a window of opportunity where such a reorganization – that has been so elusive for so long – can actually get done.

Potok also touted progress on the federal data strategy, where funding from the president's management agenda, foundations, and the agencies themselves can help implement objectives related to data sharing, access, and capacity building. Potok thanked users who have provided comments, and said a call for comments on Year One of the data strategy action plan will be issued soon. COPAFS will alert members when it is issued.

With a panel set to present on the topic, Potok said little about the proposed reorganization and move of ERS. Instead, she noted that the Census Bureau will present on disclosure avoidance measures at a December 14 meeting of the Federal Economic Statistics Advisory Committee, and that the Federal Committee on Statistical Methodology has been getting direction on issues related to blended data from the Interagency Council on Statistical Policy. Two working papers will be released in early 2019 – one on measuring the quality of blended data, and the other on statistical disclosure limitations, including the tradeoffs between data utility and the risk of disclosure. Comments from users will be sought. Also on the horizon is the question of how to delineate metropolitan statistical areas after the 2020 census. As Potok noted, the areas are defined for federal purposes, but are widely used, so public comment will be sought – probably in late spring or summer.

The appointment of Steven Dillingham as Census Bureau Director has been voted out of committee, and a vote by the full Senate is expected soon. Acting Deputy Director Enrique Lamas explained that Acting Director Ron Jarmin will become Deputy Director, he (Lamas) will become Assistant to the Deputy Director, and Tori Velkoff will become Associate Director for Demographic Programs. The opening of Velkoff's former position (Chief of the ACS Office) has been posted.

Turning to BLS, Potok said the agency has received a welcome budget increase, but acknowledged that in real terms, funding is still down. BLS has now released analyses from a contingent worker survey, and CNSTAT will convene a panel of experts to consider how to best measure electronically mediated and other emerging work modes. BEA has released its 2018 comprehensive update with revisions for past years. They are also working with Puerto Rico to produce GDP statistics for the Puerto Rican economy, with the goal of releasing preliminary measures by the end of the fiscal year. BEA also will soon release, and will seek feedback on, prototype statistics of GDP by county.

Panel Discussion: OMB Proposal to Move BLS to Department of Commerce
Moderator: John Haltiwanger. Economics Department. University of Maryland
Katharine Abraham. University of Maryland, former BLS Commissioner
Robert Groves. Georgetown University, former Census Bureau Director
Maurine Haver. Haver Analytics
Steve Hine. Minnesota Department of Employment and Economic Development
Brent Moulton. Former Associate Director for National Economic Accounts, BEA

Haltiwanger introduced the panel of experts gathered to address questions related to the proposed move of BLS to the Commerce Department.

Noting the built in complications and inefficiencies of the decentralized US statistical system, Abraham said the important question is how to move forward. Proposals for improvement date back as far as 1922, and many recall the proposals for statistical agency consolidation of the 1990s. Those bills did not pass, but the 2002 CIPSEA legislation provided for some data sharing between BLS, BEA, and the Census Bureau. Abraham said she testified against consolidation in the 1990s (as BLS Commissioner), as she doubted it would improve efficiency, and hoped advances could be achieved through improved coordination among agencies. In her view, that has worked to some degree, but not as well as was hoped. When most data were collected from surveys, it made sense to have separate surveys, but with increasing emphasis on administrative and private sector data, Abraham said it now makes more sense to move toward a consolidated structure. She cautioned, however, that consolidation will not save money in the short run, and might even increase costs during the transition. She also stressed that agencies must maintain their independence.

Groves expressed concern that the hierarchical, or layered, structure of federal departments diminishes the influence of the statistical agencies housed within them. The statistical agencies are relatively small, and have functions secondary to the core missions of the larger department. Viewing the proposed reorganization in that context, Groves

agreed that there are opportunities for greater efficiencies if important next steps are taken, but agreed that the move will not save money in the short run. He also expressed concern that the move not threaten the independence of the three agencies, and stressed that the agency heads would have to be willing to coordinate if the potential benefits are to be realized.

Moulton suggested the proposed reorganization would better enable BEA to fulfill its mission. BEA data products, such as the national accounts, derive from multiple federal statistical sources, and depend on coordination on things like data standards, access and release dates. Moulton noted that coordination is easier for agencies in the same department, and observed that BEA coordination with Census has improved now that they are in the same building. He views the move of BLS to Commerce as the first step in a longer term process toward greater data harmonization and integration, and agrees that it is not about saving money. In the short run, Moulton says data sharing agreements under existing authority can be expedited, and in the longer run set the stage for legislation providing for broader sharing of data across agencies. From this view, agencies would retain their branding and organizational culture, but be better positioned to address data inconsistencies and coordinate release schedules.

Hine (joining by telephone) gave a state perspective on the proposed move. Like the feds, Hine said state statistical agencies are having budget difficulties, and federal budget decisions do not always align with state priorities. Still, he expressed hope that the move might give BLS more clout with respect to budgets. Another challenge is the ability of states to provide data needed by federal agencies, especially as state data programs are cut back. Noting the complexity of state administrative data, and the laws governing them, Hine expressed hope that states could remain trusted data stewards, and that partnerships between state and federal agencies could be maintained in a consolidated federal structure.

Haver remarked that the average data user just wants accurate and timely data, and cares little about the organizational structures that provide them. But the impacts are real, and she recalled her support for statistical agency consolidation in the 1990s. But she also recalled resistance among some user groups, and Katherine Wallman's assertion that the Labor Department would resist giving up BLS. Haver argued for a phased approach to the proposed reorganization – first getting BLS out of the Labor Department, and addressing specifics later. Starting with a simple proposal, she said, gives critics less to attack. Haver also lamented the lack of support for BLS funding despite the great interest in its data from the business community, and expressed hope that a move from Labor to Commerce might improve its budgets.

In the discussion, Haltiwanger asked for thoughts on phases for the proposed reorganization. Suggesting that now is not the best time to press for data synchronization, Moulton said he would start with strategic planning and administrative coordination. Groves suggested going first for low hanging fruit such as IT harmonization, and interagency groups exploring ways the strengths of each agency could contribute to the benefit of the other two. Abraham expressed support for the

reorganization, but cautioned that moving BLS to Commerce might not pay off as hoped. Hine pointed out that laws authorizing the Labor Department as a recipient of state data might have to be changed if BLS is moved to Commerce.

Update on Commission on Evidence-Based Policymaking and Federal Data Strategy

Katharine Abraham. University of Maryland. Co-chair of the Commission

Nick Hart. Bipartisan Policy Center. Former Commission staff.

Abraham reminded us that the Commission on Evidence Based Policymaking (CEP) issued its report in September 2017 with a unanimously endorsed set of recommendations. Legislation to pursue some of those recommendations moved quickly through the House, but has been hung up in the Senate. She remains optimistic that it might still pass the Senate by the end of the year, enabling it to promote the broad objectives of increasing access, privacy and the capacity for evidence based policymaking.

Access would be promoted by directing agencies to develop inventories of their data, and making data public where not prevented by law. OMB would be directed to develop a common application process for accessing data for evidence building, and establish an advisory council to review data coordination and availability. For privacy, the act requires comprehensive assessments of disclosure risks before data are released, and for capacity, it directs agencies to develop learning agendas, and designate staff to oversee the use of data for evidence building. The act does not lay out a plan for setting up the proposed National Secure Data Service, nor does it address current laws that impede access to data. But Abraham sees much positive in the legislation, and hopes it will pass. She noted that initiatives like this often stall because no one picks up the cause when the initial work is done, and credited the efforts of OMB and the Bipartisan Policy Center to keep the initiative moving forward.

Hart explained that in September 2018, the Bipartisan Policy Center hosted a one year anniversary event for the CEP report, and noted that the initiative remains a priority for co-sponsors Paul Ryan and Patty Murray, even though only a few weeks remain before the end of the current session. Nothing is guaranteed but Hart pointed to a few hopeful signs, such as the signing of a new continuing resolution (averting a shutdown), and indications that authorizations can be included in the anticipated omnibus budget bill.

If the bill passes, there will be a lot to do – including work on how to build data inventories and establish learning agendas. There will also be budget constraints, as the legislation would not come with a lot of extra funding. Hart recommended that users stay plugged in, and respond to opportunities for public comment. If the bill does not pass, there would still be much to do, as he expects the legislation would be revived in the next session. Murray would still be in the Senate, but there would be a lot of educating to do with new members and staff, and data users can play a role in that effort.

Hart observed that the priorities of the CEP are evident in the federal data strategy being developed by OMB, and said it is important for users to stay plugged into OMB's work. He described data strategy as a long-term thing, in contrast to the president's

management agendas, which tend to have a short-term focus. Hart concluded by expressing optimism that the legislation could pass by the end of the year, but said even if it does not, there is cause for long-term optimism with respect to the CEP recommendations.

Panel Discussion: USDA Proposal to Relocate ERS-NIFA and to Realign ERS Under the USDA Chief Economist

Moderator: Cynthia Clark. Former Administrator, National Agricultural Statistics Service.

Kitty Smith Evans. American Economic Association. Former ERS Administrator

Caron Gala. Agricultural and Applied Economics Association

Ferd Hoefner. National Sustainable Agricultural Coalition

Steve Pierson. American Statistical Association

Catherine Woteki. Iowa State University, former Undersecretary for Research, Education, and Economics and Chief Scientist, US Department of Agriculture

Clark introduced the panel, noting its qualifications for discussing the proposal to put ERS under USDA's Chief Economist, and move the agency out of Washington.

Smith Evans described ERS as the principal statistical agency at the Agriculture Department, with functions related to measures of farm income and agricultural productivity, household food purchases, and food insecurity. ERS also conducts analyses for SNAP, WIC and other programs, and maintains a system for classifying counties on rurality. She expressed concern that the proposed move could impair data quality due to a reduction in staff resources – and money, since they would have to pay moving expenses for those who relocate, and buyouts for those who do not. The move would also reduce the benefits of coordination and collaboration with other agencies. Noting that agencies must avoid even the appearance that their data are subject to political influence, Smith Evans expressed concern that the move could be seen by some as politically motivated.

Woteki described the establishment of ERS, and the role of the USDA Chief Scientist. Although a political appointment, the position has typically been held by someone from the scientific community – well versed in scientific ethics, and committed to adhering to CNSTAT's principles and practices for federal statistical agencies. Woteki criticized the proposed move as ill-advised, without adequate basis, and lacking the rigorous review and congressional oversight normally required for USDA reorganizations. She added that the reasons given for it do not hold water. Neither ERS nor NIFA have faced exceptional recruiting difficulties, and the move would not help with that. Nor would the move put ERS closer to its stakeholders, who are not farmers, but others in the Washington area with whom they need to communicate and coordinate. Woteki said Congress has work to do on the proposal, and should require that USDA subject it to an independent study (perhaps by GAO or the National Academy of Public Administration). In the meantime, she recommended that decisions be delayed, and the foolishness stopped.

Pierson explained that congressional staff also are stunned by the ERS proposal, but that it is the members who make the decisions, and some of the chairs of relevant committees hope to have ERS move to their state. ASA has taken a hard stand against the proposal, and is calling for good government with hearings and stakeholder input. It is hoped the decision can be extended to the new Congress, where the prospects for blocking it might be better. Seeking to get the message out, ASA has prepared a document explaining how the rationale for the move does not add up, and is concerned what such a move might mean for federal statistical agencies in general.

Gala described how support for agricultural statistics and ERS rallied when a drastic cut in the agency's budget was proposed. Stakeholders were relieved when funding was restored, but then August happened, and the proposed move and reorganization posed an existential threat to agricultural statistics. Gala joined others in seeing no sense in moving a scientific agency out of a scientific community. Noting that the media often publish data from ERS, but without citing the agency, she said ERS needs greater visibility. The group Friends of Agricultural Statistics and Analysis is working to help stakeholders connect with ERS, and have input on the reorganization and relocation proposal.

Hoefner described the sheer shock among some in Congress over the move proposed during a recess, and without notice, and added it is not isolated, but part of a pattern, as Agriculture Secretary Perdue is pursuing major reorganizations across USDA. Hoefner cautioned that while nowhere in the stakeholder community does one find support for the move, there is some support for the reorganization in USDA. But he stressed that while there might be USDA issues that could be best addressed through a reorganization, this reorganization would not be the way to go. He said the proposal is widely seen as a "rotten" threat to important data, and an attempt at political influence. He believes legislation will soon be introduced to oppose the proposal, and that it can be best addressed in the more divided Congress next year.

Asked to speculate on the real reason behind the proposal, Pierson suggested it is consistent with notions of shrinking the federal government, and moving what is left away from Washington ("closer to the people") – an objective which Gala added is embodied in Iowa Senator Joni Ernst's SWAMP Act (Strategic Withdrawal of Agencies for Meaningful Placement). Woteki said we really do not know what is behind the proposal, but acknowledged rumors that it might trace in part to administration displeasure with recent reports on food insecurity.

COPAFS Business Meeting

Clark started her first business meeting saying that COPAFS is trying to rethink the way it can be involved in the statistical community, stressing the organization's openness to member input, and pointing to the Associate Director's work on communications, including social media. Noting that there will not be an FCSM conference in 2019, Clark said there will be one in 2020, but it is not yet known if it will be a combined technical and policy conference. In the meantime, COPAFS is looking for opportunities for

workshops and other activities where it can have a role – such as, perhaps, the upcoming effort to revise how metropolitan areas are delineated.

Among the topics of interest suggested by members were bridging the gap between traditional statisticians and the new cohort of data scientists, disclosure avoidance, the rise of nonprobability sampling, and sexual orientation and gender identity issues in the collection and reporting of federal statistics. Clark advised members to watch for the monthly updates now sent from COPAFS, and for invitations to the monthly updates that Nancy Potok will be presenting (in person) the second Thursday of months between COPAFS quarterly meetings. s