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Current Issues Facing the Federal Statistical System

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FY 1997 may prove to be one of the most important years for Federal statistics. Issues ranging from reduced budgets, to legislation proposing agency consolidation, to data sharing and confidentiality legislation, are emerging. The following is a brief review of the most important of these issues.

Federal Statistical Budgets

It's still too early to say how hard a year this will be for the Federal statistical agencies. However, if last year is any indication, it will probably be another difficult year (for details of the funding history in fiscal years 1995 through 1997, including a comparison of requested vs. actual allocations for 1996 see the attached table). Given that this is an election year, it would not be unreasonable to see some of the proposed FY 1997 budgets passed before November. Every agency is fully aware of need on the part of Congress to make cuts across the board, and in general, the funding levels for FY 1997 that have been proposed are modest increases over FY 1996.

OMB Releases a Proposed Order Providing for the Confidentiality of Statistical Information

The proposed order is intended to clarify and make consistent government policy protecting the privacy and confidentiality interests of individuals or organizations who furnish data for Federal statistical programs. It is intended to assure respondents who supply statistical information needed to develop or evaluate Federal policy that their responses will be held in confidence and would not be used against them in any government action. The proposed order established policies to assure "fair information practices for respondents and subjects of statistical inquiries, based upon the concept of "functional separation." Functional separation is achieved by two means: 1) identifying an agency or unit that is purely statistical, and 2) distinguishing statistical from non-statistical functions within a single agency or unit.

Hearing Held on H.R. 2521, The Statistical Consolidation Act

On March 22, 1996, Congressman Steve Horn, chair of the Government Management, Information and Technology sub-committee of the Government Reform and Oversight Committee in the House, held a hearing on H.R. 2521. To review, this is a bill to establish a "Federal Statistical Service" by moving the Census Bureau, BEA and BLS under one umbrella agency. The Service would be headed by an Administrator appointed by the President from among individuals nominated by a newly created Federal Council on Statistical Policy which would also be part of the Service. Members of the Council would include the Chief Statistician, the three Directors of the member statistical agencies, the Administrator, two members appointed by the Senate Majority Leader and two members appointed by the Speaker of the House of Representatives.

There were two panels. The first consisted of representatives from the agencies involved along with Dr. Janet Norwood and Dr. James Bonnen. Dr. Norwood stated that the bill is "a constructive effort by the Congress to look at how the system operates and how its functioning might be made better." Further, she stated, "While I do not agree with every item in the bill, I believe its approach is an important step towards improving the system." The second panel included representatives of OMB, the General Accounting Office, and the presidents of COPAFS, the American Statistical Association, and the National Association of Business Economists.

Confidentiality and Data Sharing Legislation

The Office of Management and Budget has sent to the Congress a legislative proposal entitled the "Statistical Confidentiality Act." This legislative proposal addresses two issues that are important to ensuring the integrity and efficiency of Federal statistical programs: 1) the confidential treatment of information provided to statistical agencies for exclusively statistical purposes; and 2) the impediments raised by existing law to the effective sharing of confidential information among statistical agencies. The proposal established policies and procedures to guarantee the consistent and uniform application of the confidentiality and also addresses the legal impediments to sharing of data for statistical purposes. ...

PRINCIPAL FEDERAL STATISTICAL AGENCIES

(total direct funding in millions)			
FY 1996		FY 1997	
FY 1995	Budget	FY 1996	Budget
Final	Request	Estimate	Request

Bureau of the Census Current Programs

. . . . \$136.0 \$144.8 \$133.8 \$150.7

 Periodic Programs.

.142.1 193.4 150.3 248.7

Bureau of Labor Statistics.

.351.3 376.7 344.5 372.4

Bureau of Economic Analysis

.42.2 51.5 40.5 48.6

Statistics of Income, IRS

.29.4 29.4 25.7 25.7

National Agricultural Statistics Service.

.81.0 89.8 81.1 85.1

 Periodic Programs 1/

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Economic Research Service, USDA

.53.9 55.1 53.1 54.9

Energy Information Administration

..... 84.6 84.7 72.3 66.1

National Center for Health Statistics 2/.....

..... 81.4 81.4 77.7 88.5

National Center for Education Statistics 3/.....

..... 80.9 95.0 78.8 82.8

Bureau of Justice Statistics 3/.....

..... 21.4 22.0 21.4 22.9

Bureau of Transportation Statistics 4/.....

..... 17.8 22.2 22.2 28.1

Notes:

1/ The Presidents Budget for 1997 has proposed the transfer of the Census of Agriculture from the Bureau of the Census to the National Agricultural Statistics Service.

2/ Funding levels shown for NCHS include \$27.9 million in FY1995, \$40.1 million in FY 1996 and \$53.1 in FY 1997, from Public Health Service Evaluation Funds.

3/ Funding levels shown for NCES and BJS do not include S&E from other departmental sources; for FY1997, NCES will have an estimated \$9.0 million in S&E budget, and BJS will have an estimated \$3.7 million in salaries, benefits, and administrative support.

4/ Funding levels shown for BTS include \$2.8 million in FY1995, \$2.2 million in FY 1996 and \$3.1 million in FY 1997 for the Office of Airline Information.