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Coordinated Statistical Budget

Director's Crosscut Review

October 28, 1976

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Overview

Data available at the time of this statistical crosscut reveal the proposed growth for Federal statistical programs (excluding periodic programs) to be 13 percent, reflecting the fact that substantial cuts in the real base occurred in the past two years. Obligations for current statistical programs increased 10 percent in FY 1976 and 1 percent in FY 1977.

As a result of continuing consultation concerning relative priorities, the agency requests are nearly all acceptable to SPD staff and program budget examiners. The major difference of view concerning budget levels relates to the programs of the National Center for Health Statistics and the National Center for Education Statistics. SPD recommends funding \$34.0 million of NCHS' requested \$44.0 million, and all of NCES' requested funding of \$17.2 million. HRD recommends no increase in funding over the FY 77 level of \$28.0 million for NCHS and \$12.0 million for NCES. These issues relate to the broader policy problem of Federal/State statistical programs (Tab 5). Questions relating to energy data collection will be deferred until the Energy Policy and FEA review (Nov. 16, 1976). An information item is shown as Tab 7.

For this Statistical Crosscut, several issues with long range budget implications are presented. They are:

1. Developing Integrated Statistics

Economic statistics - Industrial Directory (Tab 1)

Social statistics - A Strategy for Collecting Socioeconomic Data
for Federal, State, and Local Area Needs in the 1980s (Tab 2)

2. Organizational Improvement

EPA's Central Statistical Quality and Coordination Unit (Tab 3)

Bureau of Criminal Justice Statistics (Tab 4)

3. Program Design

Federal-State Cooperative Statistical Programs (Tab 5)

Revenue sharing (Tab 6)

These are especially important because the policy decisions at this time will affect the initial positions set forth in the "Framework for U. S. Federal Statistics, 1978-89", which is currently being reviewed by statistical agencies (see status report section).



Increases in Obligations for the Major Statistical Agencies
(in millions of dollars)

	1976 <u>Actual</u>	1977 <u>Estimate</u>	1978 <u>Agency Request</u>	1978 <u>SPD Rec.</u>	% Increase 1977-1978 <u>Request</u>	% Increase 1977-1978 <u>SPD Recommendation</u>
Department of Agriculture:						
Statistical Reporting Service	31.4	34.5	35.9	35.9	4	4
Department of Commerce:						
Bureau of Economic Analysis	11.8	12.3	13.3	13.3	8	8
Bureau of the Census (Current programs only)	41.5	43.3	44.7	44.7	3	3
Department of Health, Education, and Welfare:						
National Center for Health Statistics	26.1	27.6	44.0	34.0*	59	23
National Center for Education Statistics	13.0	12.0	17.2	17.2**	43	43
Office of Research and Statistics, Social Security Administration	22.2	32.0	35.6	35.6	11	11
Department of Interior:						
Bureau of Mines	13.0	13.3	20.5	13.8#	54	4
Department of Justice:						
Law Enforcement Assistance Administration	34.0	24.8	27.3	27.3	10	10
Department of Labor:						
Bureau of Labor Statistics (Current programs only)	53.2	65.9	83.6	82.2	27	25
Department of Treasury:						
Internal Revenue Service	<u>13.1</u>	<u>12.5</u>	<u>13.5</u>	<u>13.5</u>	<u>8</u>	<u>8</u>
Total (Current programs only)	259.3	278.2	335.6	317.5	21	14

* HRD's recommendation for NCHS is \$28.0M.

** HRD's recommendation for NCES is \$12.0M.

SPD's recommendation is subject to change.



Obligations For Principal Current Statistical Programs
By Broad Subject Areas
(In Millions Of Dollars)

	<u>1976</u> <u>Actual</u>	<u>1977</u> <u>Estimate</u>	<u>1978</u> <u>SPD</u> <u>Recommendation</u>
Prices And Price Indexes	16.0	23.1	33.1
Labor Statistics	77.8	81.3	89.4
Production And Distribution Statistics	80.2	95.7	101.9
Housing And Construction Statistics	15.9	17.6	20.7
Economic And Business Financial Accounts	39.0	40.1	42.5
Energy Statistics*	14.0	15.8	20.2
Environmental Statistics*	20.0	21.5	23.5
Health Statistics	94.4	106.5	119.4
Education Statistics	27.3	13.4	18.5
Income Maintenance And Welfare Statistics	24.7	25.8	29.1
Population Statistics	5.9	6.8	7.8
Criminal Justice Statistics	<u>34.0</u>	<u>24.8</u>	<u>27.3</u>
Total, Principal Current Programs:	449.0	472.5	533.4

* Some important agency submissions have not yet been received.





Issue Paper

Department of Commerce
Bureau of the Census

1978 Budget

Issue #1: Industrial Directory

Statement of Issue

Should the President's legislative package for the 95th Congress include proposed legislation to make the industrial directory available to Federal agencies for statistical purposes?

Background

In October 1968, the Office of Management and Budget (OMB) designated the Census Bureau as the "focal agency" for developing and maintaining a Federal statistical establishment list of U. S. business enterprises and their establishments for the use of statistical agencies. The need for this program was corroborated in the recommendation of the President's Commission on Federal Statistics in 1971. This program has been a line item in Census' budget for six years. A total of \$11.7 million has been appropriated to develop the list of all business establishments in the United States. These funds have been explicitly justified to the Congress on the basis that other agencies would be required by OMB to use the industrial directory to serve their statistical list needs.

The purpose of the list is to 1) provide more uniformity in statistical programs through uniform industry and size coding of establishments listed and used by several agencies in constructing statistical samples, and 2) reduce the reporting burden associated with multiple agencies' uncoordinated data requests for listbuilding purposes. The list is currently being used within the Census Bureau, but it is now appropriate to begin to make it available to other Federal statistical agencies, to designated statistical units within other Federal agencies, and to their State cooperative agency counterparts with which they have arrangements to provide statistical services.

Wider use of the list requires legislation because Title 13 of the United States Code prohibits disclosure of any individual company information by Census. The proposed bill has undergone extensive scrutiny



by an interagency panel of statisticians and is in shape now to be reviewed by agency counsels as part of the legislative review process. An earlier draft statement and proposed bill were reviewed by the Business Advisory Council on Federal Reports. The Council has endorsed the program and its comments have been incorporated in the draft, where feasible.

Alternatives

- #1. Ask Commerce to submit the legislation as its own initiative.
- #2. Include this legislation in the President's legislative package for the 1st session of the 95th Congress. (SP rec.)

Analysis

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
<u>Budget Authority</u> <u>(\$ Millions)</u>					
Alternative #1	2.7	2.7	2.7	2.7	2.7
Alternative #2 (SP rec.)	2.7	2.7	2.7	2.7	2.7

Alternative #1.

The industrial directory is a Commerce Department program and the proposed enabling legislation is an amendment to Title 13 - the Census Code. The Census Bureau has a strong image for protecting confidentiality. But Commerce would rather not propose this legislative change which might be viewed by some as "weakening" Title 13 protections even though no confidential data would be released in this program. The name, address, size code, industrial activity code, and geographic code will be released only to statistical units for statistical purposes.

Because Commerce is reluctant to introduce the needed legislation, it might be some time until the proposal is made to Congress. This would compound the delay in making the industrial directory available for use by other agencies, although it is already operational and ready for use now.



Alternative #2: SP recommendation

The interagency aspects of this program are paramount and justify treating the legislation as a Presidential initiative both to avoid the perception that this is a particular agency's attempt to achieve preponderant influence or authority and to underscore the role of interagency coordination in achieving the program's objective. This coordination is essential because the benefits of more consistent statistics and greater efficiency depend upon effective action in all the intended user agencies. Moreover, the sources of information from which the industrial directory is constructed are interagency in character, and positive, willing compliance will be enhanced by making this a Presidential initiative.

Finally, the reduction in respondent burden, which is a corollary benefit of multiagency access to the industrial directory for statistical purposes, can clearly be related to the achievement of the Presidential Management Initiative to reduce the burden of Federal reporting on the public.



Issue Paper

Department of Commerce
Bureau of the Census

1978 Budget

Issue #2: A Strategy For Collecting Socioeconomic Data for Federal,
State, and Local Area Needs in the 1980's

Statement of Issue

What are the implications of the mid-decade census bill having been signed into law by the President for the development of an overall Federal strategy relating to the collection of socioeconomic data in the 1980's?

Background

On Oct. 18, 1976 a mid-decade census for 1985, authorized by Congress, was signed into law. In its position paper on the mid-decade census, SP indicated that a mid-decade census would provide the opportunity to develop a truly integrated set of multi-purpose surveys which would respond to Federal, State, and local needs for socioeconomic data during the 1980's. The anchors for such an integrated system of surveys would be the decennial and mid-decade censuses. During census intervals, "follow on" surveys (which rely on the Census to identify a target population - such as American Indians, the disabled, etc.) and "adjunct" surveys (large scale sample surveys of the general population) would be conducted to obtain more detailed information which could not be collected through the Census itself.

Inherent in the argument that the institution of a mid-decade census would result in offsetting cost reductions was the notion that "follow ons" and "adjuncts" would be conducted. Such surveys were expected to be conducted during years not ending in 5 (mid-decade) or 0 (decennial) and would be designed for national and large sub-area estimates, with decennial and mid-decade surveys being used to obtain State and local area estimates.

The "adjunct" and "follow on" surveys would be designed to satisfy a multitude of legitimate data requirements in such areas as housing, health, education, etc., and could obtain selected information from special populations such as American Indians, people with low incomes and the disabled. Disability data provides a good example of the potential value of a "follow on" survey. Numerous Federal agencies (VA, PHS, OE, SRS, to name a few) as well as States, are required to collect data



from or about disabled individuals to meet a variety of mandates (e.g., PL 94-142 and PL 93-516 require that certain services provided to, as well as needs of, the disabled population be assessed on a regular basis). The ability to conduct a large scale multi-purpose survey of disabled individuals, identified through the census, will mean that numerous data requirements can be accommodated through one survey mechanism with a resulting cost savings to the Federal government, as well as a reduced burden on potential respondents.

The need to begin to fund the "follow on" - "adjunct" survey program in 1978 stems from the need to clarify, conceptualize and coordinate Federal, State, and local data requirements, as well as to plan to pretest alternative data collection mechanisms designed to identify cost-effective data collection procedures. One such procedure, that of "nested" sampling, needs to be thoroughly tested, and if found technically feasible will have ramifications for the mid-decade census itself.

The Census Bureau's original request for the "follow on" - "adjunct" survey program for 1978 was \$1.0 million. In response to a Department requirement to reduce its periodic programs budget, the Bureau felt that since the decennial census is its highest priority, no funds associated directly with this activity could be reduced. Consequently, it sacrificed funds related to "follow on" and "adjunct" activities. Therefore, no funds are presently requested.

Alternatives

- #1. Defer initial costs for this program until 1979 (Department request).
- #2. Provide \$0.25 million as "seed money" to begin this program in 1978 (SP recommendation).
- #3. Provide \$1.0 million for 1978 as originally requested by the Census Bureau.

Analysis

<u>Budget Authority</u> (\$ Millions)	<u>1978</u>	<u>1979-1982</u> (SP estimate)
Alternative #1 (Department request)	0	58.0-64.0
Alternative #2 (SP recommendation)	0.25	50.5-61.5
Alternative #3	1.0	50.5-61.5

Alternative #1: Department request

Although resulting in a negligible cost savings in 1978, this alternative would have the long range effect of increasing the 5 year cost of this program. This increase would arise from the fact that a delay in start-up would push the "follow on" program back by at least one year with the result that



census data used a screening device to identify sub-population groups would be out-of-date. This delay would mean that data designed to be collected through the less expensive "follow on" procedure would have to be collected less efficiently or through larger, more expensive, "adjuncts". In certain cases a "follow-on" might have to be abandoned entirely.

Alternative #2: SP recommendation

Adoption of this alternative, while fractionally increasing costs in 1978, would permit the Census Bureau to begin its planning efforts in this program in 1978 - to include research on mid-decade census linkages, and would likely result in 1) a better coordinated, better developed strategy for collecting socioeconomic data and 2) a long run cost savings of \$8 - 14 million in the "follow on" - "adjunct" program, and 3) the first step in providing for elimination of small area detail from presently on-going special purpose surveys of other agencies. (Over the decade of the 1980's the savings to accrue from this program are expected to offset the cost of the mid-decade census itself.)

Alternative #3.

Adoption of this alternative would not likely result in an improved "follow on" - "adjunct" program since "seed money" during 1978 will be used for issue identification and only limited field testing.



Issue Paper
Environmental Protection Agency
1978 Budget

Issue #3: EPA's Central Statistical Quality and Coordination Unit

Statement of Issue

It is recognized that EPA does not have an effective central control unit over its many statistical activities at headquarters, the research centers, and at the regional level. What is the best way to establish an adequate capability for statistical coordination and adherence to statistical standards in program development and implementation?

Background

At present, EPA does not have an effective means for coordination and quality control of its statistical activities. Statistics play a major role in almost every major agency policy decision including:

- the setting of environmental quality standards;
- the monitoring and analyzing of ambient air, water and pesticide pollution trends;
- the setting up and management of environmental quality information systems;
- the carrying out of enforcement actions;
- the design and implementation of environmental health, economic, and ecological effect studies;
- preparing congressional reports; and
- measuring the overall effectiveness of agency programs.

Because the EPA has developed no effective measures by which the statistical needs of the agency may be reviewed, statistical resources developed, data quality assured, and intra- and interagency statistical coordination achieved, the EPA has encountered statistical problems in such areas as:



- defense of environmental standards;
- enforcement actions; and
- design of meaningful and cost effective health effect studies.

For example, in June 1976 EPA requested that OMB renew clearance of the record sheets used for the Storage and Retrieval of Aerometric Data System (SAROAD). The purpose of that system is to collect, store and retrieve local, State, and Federal air quality monitoring data to insure that control officials receive comparable, accurate and current data. These data are used to evaluate and control program effectiveness. During clearance review, OMB determined that the data stored in SAROAD is of highly questionable quality, lacks comparability, and is not supported by adequate documentation or data validity and reliability checks. Moreover, EPA had no plan for addressing these issues. As a consequence, EPA was given until February 1977 to resolve these issues and develop plans for their resolution as a condition for further clearance of the SAROAD system.

In February 1976, EPA requested clearance of a survey to collect information on household use of pesticides. The purpose of that survey was described as collecting data on the exposure of the population to pesticides, household storage and use practices, adequacy of labels, etc. These data were needed for development of standards and policy and to provide baseline data for indepth studies. The survey (as submitted to OMB for clearance) contained gross statistical, questionnaire design, and conceptual errors.

These examples, illustrate that EPA responsibilities for statistical review, development and quality control are fragmented and ineffective. Clearly, no competent statistician in EPA had detected or remedied the defects prior to OMB receipt of the materials for the SAROAD and pesticides studies.

Currently EPA statistical problems have been intensified by passage of the Toxic Substance Control Act. It is likely that implementation of that Act will require the development of substantial statistical programs for purposes of monitoring, research, standards developments and allocation of compliance resources.

Proposal

To meet this need, a centralized unit should be created and adequately staffed, with unambiguous authority over the statistical aspects of all EPA activities. Location of this unit within any existing program office may impede its ability to effect the statistical activities of the agency as a whole. This unit should perform the following functions:



- . Review the adequacy of standards for data collection and research;
- . Review and evaluate systems design for collecting information for regulatory and policy functions;
- . Advise top management on statistical issues including adequacy of overall EPA statistical capability and budget;
- . Coordinate statistical activities on environmental questions within EPA and with other agencies;
- . Supervise reports clearance process within EPA; and
- . Review and evaluate statistical aspects of EPA contracts.

Implementation of this proposal could make it appear that EPA is being singled out for reform. Consequently, it should be made evident that parallel implementation of similar initiatives should occur where similar problems exist in OSHA, NIOSH and other agencies now collecting data on the environment and workplace.

It is essential that this proposal (and the activities involving OSHA, NIOSH, etc.) be implemented in conjunction with Presidential Management Initiatives so that OMB may exercise adequate review of agency plans and implementation strategies.

Alternatives

- #1. Creation of a central statistical control unit by allocation of five new positions and inclusion of existing personnel now assigned to the forms clearance function (SP recommendation).

Providing new positions would give the agency the maximum possible flexibility and speed in hiring. It would help in attracting a strong staff director and persons of a high degree of competence. The new statistical needs originating from the Toxic Substance Act support the justification for a rapid implementation of this proposal. Allocation of new positions, however, could result in a failure of EPA to assess critically its basic statistical resources and needs. The agency might view this alternative as an indication that the creation of the central statistical control unit is a less important task than those in the current EPA base.



- #2. Creation of a central statistical unit by a reprogramming of five existing positions and inclusion of personnel now assigned to the forms clearance function.

Reprogramming is likely to produce the desired effect of a more critical EPA review of its use, development, and coordination of statistical resources. It would indicate that OMB views this task as more important than some other current EPA activities. However, reprogramming could have the undesired effect of reducing the number of statistical slots now available to EPA Regional offices. Our evaluation indicates that EPA does not have a surplus of statistical resources at present. In addition, the process of determining where to reprogram might be a time consuming task and distract from the unit's capability to produce an overall agency plan for statistical resource development and coordination in the short term. Finally, reprogramming could result in the assignment of persons to the new statistical unit who are unqualified.

Analysis

Budget Authority (\$ Millions)

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
Alternative #1 (SP rec.)	.07	.07	.30	.30	.30
Alternative #3	.07	.07	.07	.07	.07

Alternative #1 (SP recommendation) Because of the urgency of the need to implement the required responsibility quickly, SP recommends this alternative. The Environment Branch does not object to this position.

Alternative #2 This alternative is not recommended because it might delay implementation of the proposal and might not increase the overall EPA statistical capability as required.



Department of Justice
Bureau of Criminal Statistics

1978 Budget

Issue #4: Bureau of Criminal Justice Statistics

Statement of Issue

How should OMB support the Development of a Bureau of Criminal Justice Statistics within the Department of Justice?

Background

The Department of Justice has recently initiated steps to establish a Bureau of Criminal Justice Statistics. This bureau is intended to develop a comprehensive, consistent body of criminal justice data. Members of the SPD staff have discussed this idea with the Attorney General, the Deputy Attorney General and various members of their staffs.

Although some minor action has been taken by the Department, and numerous speeches have been made by Department officials, particularly the Deputy Attorney General, no specific budget request has been made to establish such a bureau for fiscal 1978. Some research funds (\$2.75 million) have been requested by the Department and their justification suggests that they will be used for purposes which would support the development of a statistics bureau. However, it is not clear which group in the Department will be responsible for this research.

There have been great strides in the development of criminal justice statistics since 1969. The Law Enforcement Assistance Administration has developed an excellent program of data collection. Many of the recommendations of various presidential commissions going back to the 1920's have been implemented by the LEAA's National Criminal Justice Information and Statistics Service (NCJISS). However, the data coming from these programs have not been utilized by LEAA or the department because of a shortage of statistical resources within the LEAA. Moreover the data produced under this program are frequently seen by the public as having been manipulated for political purposes.

The Uniform Crime Reports (UCR), published by the FBI and covering only crimes known to the police have, for years, been the subject of professional and political criticism. There has been a significant improvement in the quality of UCR collection activities since 1972, when an LEAA program was established which requires direct state level involvement in the supervision and auditing of the data produced by local law enforcement agencies. However the UCR published reports continue to be as misleading as they were 20 years ago. In



addition to the UCR, LEAA publishes crime statistics obtained through its crime survey panel which measures crime reported by victims. These separate publications of crime statistics from LEAA and the FBI leads to confusion in the press, the general public, and in the upper levels of the legislative and executive branches of government. These activities must be coordinated.

The existing statistical programs within the Department involve an annual expenditure in excess of \$30 million. The LEAA program is by far the largest and most comprehensive (the 1978 request totals \$273million). The FBI program, while smaller (\$2.6 million in FY '77), involves virtually every police agency in the country. Present Justice thinking would merge both of these activities along with many smaller functions into the new bureau.

A major problem faced by the Department results from the fact that other groups within the Department have no statistical programs at all. The offices of the U.S. Attorneys are the most obvious examples of the source of a serious statistical data gap. Requiring the U.S. Attorneys to systematically report their activities would not only provide the data required to make basic decisions about the efficiency of the criminal justice process but would also directly provide the Attorney General with a key management tool. The establishment of a bureau will provide the mechanism to significantly reduce such gaps.

Alternatives

- #1. Provide the \$2.75 million requested by the Department for research and provide no special instructions to the LEAA or to the FBI (Department request).
- #2. In the allowance letter, specify that \$.75 million of the research funds be assigned to the Office of Policy and Planning to develop the nucleus of a bureau. Approve the LEAA request for \$273million and 11 additional positions for LEAA statistics, and the FBI request for \$2.7 million. Instruct the LEAA and the FBI to maintain the level of effort for statistics, described in their Exhibit 54's (SPD recommendation).
- #3. Provide no "research" funding but approve the LEAA and FBI statistics requests and direct them to maintain the level of funding described in their Exhibit 54's.
- #4. Provide no "research" funding and provide no special instructions to LEAA or FBI.



Analysis

	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>etc.</u>
<u>Budget Authority</u>				
<u>(\$ Millions)*</u>				
Alternative #1(Agency req.)	32.6	32.6	32.6	32.6
Alternative #2(SP rec.)	30.6	32.6	32.6	32.6
Alternative #3	29.9	29.9	29.9	29.9
Alternative #4	29.9	29.9	29.9	29.9

*An Exhibit 54 has not been received for FBI, these estimates are based on the 1977 level with no increase.

The direct outlay implications of these alternatives are minimal. There could be some cost saving if a statistics bureau were to find some direct duplication, but this should not be considered one of the likely outcomes of this decision. Rather the important issue is the ability of the Department to develop a coherent data system which addresses the crime problem objectively. The absence of a sound data base can cause the useless expenditures of hundreds of millions to billions of dollars. This problem is particularly serious at the Federal level. For example, the crime reports showing increases in violent crimes are derived from the UCR system. There is some evidence that an objective analysis of all of the factors, which could be available from an independent system, would have shown that a significant part of the increase was due to the improvement in reporting practices resulting from technical assistance and audit programs funded by the LEAA.

The Department feels that specific legislation is required to implement a full bureau. Until the legislation is passed they do not feel that it is appropriate to request funds for its establishment. However, there are significant activities which can and should take place immediately. Such a strategy was spelled out in the SP planning "Framework" as follows: (Also see attached Criminal Justice chapter)

"The Justice Department should immediately establish the nucleus of the Bureau of Criminal Statistics. The operation should be organizationally located so that the Director would report directly to the Deputy Attorney General. During the development stage, however, the activity could be temporarily located within the Office of Justice Policy and Planning. Immediate steps should be taken by the organization to develop a Federal OBTS**with all parts of the Department directed to cooperate.

"There is also no reason to delay the development of standards for the publication of statistics within the Department.

*Offender Based Transaction Statistics (OBTS), a system of data aggregation which provides insight into the effectiveness of the criminal justice process. Such a system is now being established in several states with LEAA funding. No similar system describing the Federal process exists.



"While these activities are taking place, a detailed plan for the development and implementation of a full Bureau of Criminal Statistics should be prepared. This plan should be coordinated closely with all of the organizations directly affected as well as the Statistical Policy Division of the Office of Management and Budget " (page 17).

Some funding is needed for fiscal 1978 to carry out these steps. The general planning can be accomplished in fiscal 1977 so that an expenditure of approximately \$.75 million could be utilized effectively in fiscal 1978.

The publicity about the creation of such a Bureau (a page one article in The Washington Post, October 13, and another recent article in The Wall Street Journal) may precipitate another problem. The Department has made it clear that this change will require moving the statistical activities of several Justice agencies into main Justice. There is a danger that these agencies may reduce the resources they are devoting to statistics, thus damaging the overall criminal justice statistics effort. This is particularly true of LEAA which has indicated that it will use \$10 million from its discretionary funds for both fiscal 1977 and 1978 to support its Federal/State cooperative statistics program. If these funds are not expended, the Federal/State program which has been under development since 1972 could be destroyed. There is already evidence that LEAA is reducing the funding of its statistical programs. The FY'77 request for "Data systems and statistical assistance" in the President's budget was reduced in the appropriation process by \$4 million. The entire \$4 million cut was absorbed by the statistics program while the two systems programs were maintained intact.

Similarly, the FBI could reduce the support it provides to the Uniform Crime Reports resulting in a deterioration in the statistical base, rather than improvement.'

Alternative #1: Department request

This alternative would not assume the orderly development of a statistics bureau within the Department. However if the Department carried out the activities described in its justification, it would provide some of the basic work required. The research funds are not requested for any specific operating activities and, therefore, appear to be more a research "slush fund" for which no one has direct responsibility.

With alternative #1, we have no way of assuring that the LEAA and FBI will maintain the present level of effort.



Alternative #2. (SP recommendation)

This alternative guarantees the establishment of a bureau of statistics and protects the present criminal justice statistics effort from erosion.

Alternative #3.

This alternative would not provide the funding necessary for the establishment of the Bureau of Statistics but would guarantee maintenance of effort on the part of LEAA and FBI.

Alternative #4.

This alternative would neither provide the necessary funding or guarantee maintenance of effort.

As of this writing, the Economics and Government Division has made no decisions as to its recommendations on the detailed funding level for the Department of Justice, LEAA or FBI.



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Criminal Justice Statistics

Attachment to Issue #4

Responsible Agencies

A well rounded statistics program for criminal justice would provide comprehensive information on crime and its victims, on offenders and about the administration of justice at the Federal, State, and local level. At present, there are some 15 Federal agencies and thousands of State and local agencies involved in the collection, analysis and use of criminal justice statistics. The primary collecting agencies at the Federal level are the National Criminal Justice Information and Statistics Service (NCJISS) of the Law Enforcement Assistance Administration (LEAA), the Federal Bureau of Investigation, the Census Bureau, and the Administrative Office of the United States Courts. However, at present almost all of the major current criminal justice data collection activities involve LEAA in one or another. For example, LEAA presently expends over \$15 million annually on interagency agreements with the Census Bureau.

Although a great deal of criminal justice data are collected, little analysis is accomplished, despite LEAA's a clear mandate to do so. Moreover, there is no activity within the Department of Justice itself, with the possible exception of the Office of Policy and Planning, which presently has a role of coordinating or analyzing criminal justice statistics.

Beyond the analytical function there are a number of other organizations which could provide support for criminal justice statistical activities, but do not. The most important of these are the Offices of the



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U.S. Attorneys, which are the focal point for the Federal criminal justice process from arrest through adjudication.

Users

A major problem concerning criminal justice in the United States today is a basic misunderstanding of crime and its impact as well as the efficacy and cost of the criminal justice process. Therefore, a major target group for criminal justice data is the general public, through the agency of the press. Because of the constitutional reservation of justice activities to the States, the decisionmaking is fragmented; the information reported by the press impacts directly on decisionmakers in city councils, State legislatures, and leadership personnel in criminal justice agencies at all levels of government. Thus, it is essential that basic misunderstandings concerning crime and the administration of justice be corrected, and our general knowledge in this area expanded.

The academic community also is an important user of criminal justice statistics. The last decade has seen the establishment of several specialized schools of criminal justice as well as criminal justice programs in general institutions of higher learning. The data currently being produced is a valuable resource for these institutions. More importantly, behavioral scientists in general, and criminologists in particular, are using criminal justice statistics to develop and evaluate their theories about crime and justice. Legislative, executive and judicial decision makers rely heavily on these academics.

Another key user of criminal justice statistics is the Congress. The Senate and House Judiciary committees in particular use data to design



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legislation and programs. The Subcommittee on Criminal Laws and Procedures of the Senate Judiciary Committee, for example, used a great deal of statistical information on judicial outcomes and sentencing policies among the various Federal courts in the development of legislation to codify Federal criminal statutes (S-1). The Juvenile Delinquency Subcommittee continues to use information on juvenile institutions and juvenile courts in its development and monitoring of juvenile justice programs. The Subcommittee on Crime of the House Judiciary Committee uses information on urban crime rates in making decisions concerning the shape of Federal legislation, particularly in the LEAA authorization, which now includes a special program for high crime areas.

Many LEAA program decisions are based on information concerning crime and justice. The distribution of funds through the LEAA's juvenile justice program was highly impacted by data on juvenile detention facilities, juvenile arrests and juvenile court actions. The LEAA "high impact crime reduction program," a \$160 million effort was designed to attempt to reduce "stranger-to-stranger" crime and burglary in eight large cities. The selection of cities was based on information on crimes known to the police as reported in the Uniform Crime Reports (UCR) concerning the incidence of these crimes. The overall evaluation of the program on the other hand is based on information collected through victimization surveys. Each city, as part of its participation, was required to establish "crime analysis teams" which became very active users of statistics on crime and the effectiveness and cost of various justice process alternatives.

The LEAA program has also established another entire set of users. One of the requirements for participation in the LEAA Federal/State cooperative program is that each State must establish a Criminal Justice Statistical



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Analysis Center (SAC). These centers provide input to the Criminal Justice State Planning Agencies (required by the Crime Control Act), State and local criminal justice agencies and the governor's office. As of mid-1976, 36 States have established criminal justice statistics analysis centers

Advisory Groups

There is no single advisory group which continually reviews and makes recommendations concerning criminal justice statistics. There are some advisory groups which are limited to specific programs or which represent a specific constituency. An example is the International Association of Chiefs of Police (IACP) whose Committee on Uniform Crime Records advises the FBI's Uniform Crime Reports (UCR) program. Similarly, LEAA has funded a consortium of States known as SEARCH Group, Inc. (formerly Project SEARCH) which regularly makes recommendations to LEAA on activities of particular interest to State agencies.

People concerned with criminal justice statistics have been fortunate in having had a series of commissions 1/ which have provided excellent program guidance. Nevertheless, a continuing advisory group is strongly recommended. A model for such a group already exists. In 1974, LEAA convened an ad hoc "policy development" group representing Federal, State and local agencies, the academic community, the press, and public interest groups. Such a committee, with additional representation from key segments of the general public, particularly minority and women's groups, should be organized and convened on a regular basis. The membership of such a group should be rotated frequently in order to reduce the tendency for the advisory committee itself to become another special interest lobby.



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In addition, a Federal interagency committee should be established to provide better coordination among the various Federal agencies involved in criminal justice statistics. However, since most of the agencies involved are within the Department of Justice, the establishment of an OMB committee should be delayed until the effectiveness of the newly established Departmental committee on statistics can be assessed.

Core programs

In order to reasonably discuss the core program for criminal justice statistics, it is necessary to examine the overall data requirements. The best description of these requirements can be found in the report of the Task Force on Assessment of the President's Commission on Law Enforcement and the Administration of Justice (The Katzenbach Commission),^{2/} and in the report of the Advisory Task Force on Information Systems and Statistics of the National Advisory Commission on Criminal Justice Standards and Goals.^{3/} Both of these task forces stressed the need for reliable data on crime, the criminal justice system, the justice process, and information on victims and offenders.

There are now a variety of programs in place which satisfy many of the requirements described by the Commissions.

Uniform Crime Reports (FBI). The UCR program in operation since 1930, is the oldest of the existing criminal justice statistics programs. Primarily, UCR solicits information on crimes known to the police, arrests, offenses cleared by arrest, law enforcement employee data, data on law enforcement officers killed, and other law enforcement data. Until 1969, these data were all reported directly from local police agencies to the



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FBI. In 1969, the Bureau began a program in which State agencies would assume responsibility for collecting information from the departments compiling it and forwarding it to the FBI.

In 1972, LEAA included UCR as a part of its Comprehensive Data System (CDS) program. State agencies participating in this program must assume responsibility for UCR collection and quality control. To accomplish the quality control, standardized audit systems have been developed. The UCR program has long been criticized for being subject to manipulation by local law enforcement agencies for political purposes. While this possibility remains, the new quality control efforts should markedly reduce the problem.

The National Crime Survey Panel (NCSP) LEAA. This survey also gathers information about crime. It differs from the UCR in that it reports information obtained from the victim rather than reporting crimes known only to the police. It has been found that the differences between crime reported by the Crime Survey Panel and the UCR are significant and vary widely from place to place. The first survey of the largest cities indicated that the differences ranged from 2:1 to in excess of 7:1. In all cities some crimes never come to the attention of the police, but in some areas, for whatever reason, the public or police fail to report an exceptionally large number of offenses.

The Crime Survey Panel also has the ability to more carefully examine complex crimes. Because of its summary collection method, the UCR counts only the most serious crime which takes place in a criminal event. The Crime Panel identifies all of the crimes which take place in an episode and includes an indication of the number of victims, offenders, etc.



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The Crime Panel began regular data collection in 1974. Presently, it produces data for the United States and for 13 large cities annually. In addition to gathering information about victimization, the panel is used to gather attitudinal information about official criminal justice policies, etc. These data are collected for LEAA by the Bureau of the Census.

Serious questions have been raised concerning the continued collection of data for individual cities. The correct argument is made that collecting data from residents of cities does not adequately reflect crime which takes place in these cities. However, it does represent the crime problem of the residents. The differences in the reported rates (UCR) and the Crime Survey generated rates are significant. For example, when one examines burglary alone the comparisons between crime survey data and the UCR should be exact. Large differences between the NCSP rates and the UCR rates can only reflect a situation in which the public fails to report crimes to the police or the police fail to report crimes to the FBI. In either case these differences can be used as a direct measure of police performance or credibility in the area.

The effort to audit UCR statistics through the CDS program should reduce these differences. Until that effort becomes fully operational, the collection of cities data through the "Crime Survey Panel" remains imperative.

It is not possible to fund data collection activities in every city which might be of interest. Therefore, work should begin immediately on the development of "synthetic" methods of estimating crime in local areas utilizing existing crime survey data along with demographic and other data. The development of such multi-variate techniques should be given high



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priority so that they can be subjected to definitive tests using 1980 Census data. If such estimation procedures can be developed, the cities sample could be eliminated at a savings of several million dollars per year.

National Correctional Statistics Program (LEAA). This program consists of several administrative data collection activities and surveys. The core of this program is National Prisoner Statistics (NPS), which was established in 1936. It collects data on the number and movement of prisoners in State institutions and provides the only definitive data on capital punishment. The Federal Bureau of Prisons supplies data on prisoners in Federal institutions which is reported in this series. NPS bulletins are published annually.

Another correctional statistics effort is the triennial Census of Jails and Characteristics of Inmates of Local Jails. A report on the Characteristics of Inmates of State Prisons is prepared on the same schedule. Another element of this program is the Juvenile Detention Facilities Census.

Employment and Expenditures for the Criminal Justice System (Census/LEAA). This survey collects detailed information on expenditures and employment for States, large cities, and large counties. The expenditure data, which are required by law, provide the basis for LEAA distribution of funds to State governments and local governments.

Data are provided by sectors of the criminal justice system (e.g., police courts, etc.) annually.



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Uniform Parole Reports (LEAA/National Council on Crime and Delinquency (NCCD). The Uniform Parole Reports (UPS) are a product of the National Parole Institutes which is managed by the National Council on Crime and Delinquency (NCCD). It provides some information on the outcomes of parole. LEAA has been supporting this effort through grants to NCCD.

Comprehensive Data Systems (LEAA). The Comprehensive Data Systems program is the LEAA Federal/State cooperative statistics program. In order to participate in this program each State is required to implement five modules. The State: (1) must establish a Statistical Analysis Center to coordinate all of the activities in the program and to provide the analytical capability for policymakers in the State; (2) Develop an Offender Based Transaction Statistics Program; (3) Assume responsibility for Uniform Crime Reports; (4) Establish a Management and Administrative Statistics program; and (5) Develop a program to provide technical assistance to participating local agencies.

The Statistical Analysis Centers and the Uniform Crime Reports have been described above.

The Offender Based Transaction Statistics Program (OBTS) is designed to identify persons arrested for serious offenses and follows the person as he passes through the criminal justice system recording the date and the disposition of each transaction. Each individual thus identified is assigned a unique identifier (FBI number) based on fingerprint identification. If such an individual is arrested subsequently for a "fingerprintable" offense, his new OBTS record can be associated with the original record. In this way information on recidivism can be developed. The CDS concept requires that OBTS data be developed in conjunction with



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the computerized criminal history (CCH) program being developed in cooperation with the FBI. However the slow and expensive (estimated to exceed \$100 million) development of CCH, has brought the continuation of the entire program into serious question. While there may be serious questions as to whether the CCH program should be continued, very few debate the need for transaction type data to analyze the effectiveness of various criminal justice processes. 4/ The need for the CCH capability, on the other hand, should be systematically re-examined if there is found to be adequate justification, the program should be continued intact. If continuation cannot be justified, the program should be replanted or abolished.

The Management and Administrative Statistics (MAS) program is designed to provide a mechanism for the States to examine their needs for general data describing their own system and to develop programs to provide those data. The Organization of Directors of State Statistical Analysis Centers are attempting to develop a common set of MAS data requirements. At some future date, many of the LEAA programs could be modified to use State provide data rather than collect by the Bureau of the Census.

The Technical assistance part of the program is designed to provide local agencies with the "know how" to fully participate in the state program.

Federal Court Data (Administrative Office of the U.S. Courts). The Administrative Office of the Courts prepares an annual report which provides detailed information about the workloads and outcomes to actions in the Federal courts. This administrative system is the only systematic



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program which gives any insight into the workings of the Federal criminal justice system.

Other Programs

In addition to the programs described above, a number of agencies maintain data collection efforts which are designed to provide some information about crime or criminal justice. There are, for example, programs which collect data on drug users in order to develop estimates of the user population. Some of the programs of the National Center for Health Statistics, particularly vital statistics, provide some insight into injuries and causes of death, which have useful implications for analyzing crime.

The requirements for criminal justice data and programs to provide such data are generally shown in the following table.



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 Programs

Legend:	Direct Federal Programs								Net
	National Crime Survey	Employment & Expenditure	Admin. Office of U.S. Courts Reports	National Correctional Statistics	Offender Based Trans-action Statistics DAWN	Management & Admin. Statistics	Uni-form Crime Reports	Uni-form Parole Reports	
A. Acceptable coverage 1/									
P. Partial coverage									
N. No coverage									
Data Requirements									
Crime and its impact									
Crime-level and rate									
Reported							A		A1/
Unreported	A								A1/
White collar									N
Victimless									N
Costs of crime	A								A1/
Victims	A								A1/
The Justice establishment									
Expenditures*		A							A1/
Facilities & Equip.*		P	P	P		P			A1/
		A	A			P	A		A1/
Manpower*		A	A						
The Justice process									
Volumes*			P	P		P		P	P2/
Rates*			P			P		P	P2/
Times*			P			P		P	P2/
Characteristics of offenders				P				P	P
Drug abuse					p4/				p4/
Illegal Immigration									N
Public attitudes toward crime and justice	A								A1/

- 1/ All of the programs marked "A" can and should be improved. The "A" refers only to coverage not to quality, timeliness or any other desirable attribute of a statistical program.
- 2/ Not available for all segments of the system at State level.
- 3/ Not available at Federal level.
- 4/ Of excessively poor quality.
- * Data in these areas should be available separately for : police, courts, prosecution, and corrections.



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Conclusions

The above matrix indicates clearly some of the problem areas in terms of the data required in criminal justice.

Crime data

In the crime area we find that no data are routinely collected on "white collar" crime and "victimless crime." Yet, white collar crimes such as consumer fraud are thought to cost the society hundreds of millions of dollars annually. White collar criminals prey on both the rich (embezzlement) and the poor (i.e., consumer fraud). A systematic study needs to be made to attempt to develop a methodology for assessing these nearly invisible crimes. The Comprehensive Crime Control Act gives the Federal Government the responsibility for identifying and quantifying crime problems so that adequate control procedures can be developed at the State and local level.

Given the level of national resources allocated to the suppression of victimless crime, it would be reasonable to assume that hard data existed concerning the incidence and prevalence of such activities. To be sure, we have some information, but not enough. Arrest statistics provide the most common surrogate for comprehensive data. But these sources shed no light on the characteristics of offenders or on the details of the offense nor on the volume of offenses.

Drug data



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Because of the public ideas of the implications of the problem of drug abuse and the official reaction to public opinion, drug abuse statistics should be among the most valid and reliable available. While this is a difficult goal to accomplish, we should not settle for data which at best are inadequate and are probably grossly misleading.

The program which generates gross measures of abuse--the "DEA 34" program--is extremely weak methodologically and should be discontinued.

The DAWN program (Drug Abuse Warning Network) is essentially not a statistical program but is an information system which may give early warning about drugs of abuse in specific areas. However, it is being used, irresponsibly as a national statistical system. Much of the data which have been published have no validity. For example, data have recently been published with nonresponse rates of up to 80%! There should be no further publication of DAWN data to the general public or within the Executive Branch except for law enforcement or health purposes. Further publication should result in the complete discontinuance of the program. A study should be undertaken immediately to determine whether or not drug usage data could be more effectively collected by the National Center for Health Statistics of HEW or some other agency, perhaps a Bureau of Criminal Justice Statistics (see below).

Court statistics

A comprehensive court statistics program needs to be established. Information on caseload by type of case, criminal, civil, traffic, etc. is essential at every level of government. In such a program caseload data should be coupled with resource information to provide a full picture. The



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courts themselves need data on the adjudication process in more detail than provided by OBTS. The development of standardized court information systems at the State level could provide the information needed for court management as well the statistical information required for policy decisions. An excellent start has been made in this area with the LEAA sponsored development of the State Judicial Information System (SJIS). In this program, selected states developed a comprehensive system, which should now be implemented broadly.

Federal Criminal Justice Data

Another urgently needed new resource is a program to examine the Federal criminal justice process; a Federal OBTS. This would require that U.S. Attorneys Offices be involved in a systematic effort. It is only the Federal prosecutor who has access to complete information from the point of arrest through adjudication. The Federal Bureau of Prisons and the United States Parole Board would have to be included to extend the coverage from adjudication through correctional outcomes. Negotiation should be undertaken with the administration office of the U.S. courts to secure their cooperation in this effort.

As an interim step, a partial program could be developed using FBI data on Federal offenders. These data contain information about the arrest, the offense, and the final disposition. Analyzed along with data from the Administrative Office of the Courts, the FBI criminal history information could provide about half of the data required on the Federal criminal justice process.

A Bureau of Criminal Statistics



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The Katzenbach Commission, reflecting the earlier concerns of the Wickersham Commission, called for the establishment of a National Criminal Justice Statistics Center. The Standards and Goals Commission assumed that such a center now existed within LEAA. An examination of the history of the statistics effort within LEAA, however, leads to the conclusion that LEAA has not established such a center in any sense of the word.

The appropriation for fiscal 1970 provided funds for the establishment of a statistical effort within LEAA. Since that time the budget for statistics and information systems has grown from an initial \$1 million in FY 1970, to a high of \$43 million in fiscal 1975. At the same time, the staff level for the National Criminal Justice Information and Statistics Service (NCJISS) has remained static at approximately 30 fulltime permanent employees. This level of support is inconsistent with even minimal responsibility for an important program. LEAA has even had to contract out many of the planning functions for their extensive statistics programs.

As noted previously, there is little analytical capability for general-purpose statistics in LEAA or elsewhere in the Department of Justice. Although the National Institute for Law Enforcement and Criminal Justice of LEAA has human resources, little has been done by the Institute to exploit the data collected by NCJISS. NCJISS itself has been provided no resources by the agency which would permit it to assume an analytical function.

In light of these LEAA and Departmental failures, the most pressing need in criminal justice statistics is the establishment of a Bureau of Criminal Statistics or a National Criminal Justice Statistics Center. In order for such a Bureau to be successful, however, adequate resources will have to be provided. No simple transfer of personnel from existing activities to the



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new Bureau would be sufficient to perform the activities required. Even after adequate human resources are provided the Department of Justice will also have to provide support by requiring the various agencies within the Department to provide needed administrative data to the new Bureau.

The national center should also coordinate the statistical activities of various agencies within the Department of Justice. For example, the uncoordinated publication of crime statistics by the FBI and LEAA. The perception of the crime problem and the resulting official response is warped by the separate publication of data on crimes known to the police (UCR) and crime reports by victims (Crime Panel). Separate publication should be discontinued and a joint publication developed by the "central bureau". Such a joint publication should place the disparate estimates from these two sources in the proper perspective.

Steps to be taken

The Justice Department should immediately establish the nucleus of the Bureau of Criminal Statistics. The operation should be organizationally located so that the Director would report directly to the Deputy Attorney General. During the development stage, however, the activity could be temporarily located within the Office of Justice Policy and Planning. Immediate steps should be taken by the organization to develop a Federal OBTS, with all parts of the Department directed to cooperate.



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There is also no reason to delay the development of standards for the publication of statistics within the Department.

While these activities are taking place, a detailed plan for the development and implementation of a full Bureau of Criminal Statistics should be prepared. This plan should be coordinated closely with all of the organizations directly affected as well as the Statistical Policy Division of the Office of Management and Budget.

Summary of recommendations

1. A broad based national advisory committee for criminal justice statistics should be established (page 5).
2. A Federal interagency committee on criminal justice statistics should be established (p.5).
3. Collection of crime survey data from cities Should be continued. (p.8)
4. Statistical methods for estimating the local incidence and prevalence of crime should be developed. (p.8)
5. Ways should be found for LEAA to use State produced data rather than data collected nationally for administrative statistics. (p.11)
6. Methods should be developed to assess "white collar" and victimless crime (p.14)



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7. A Federal Bureau of Criminal Statistics should be established within the Justice Department (p.15)
8. A Federal Offender Based Transaction Statistics program should be established. (p.16)
9. Methods should be developed to generate comprehensive information on courts (p.16)
10. Drug information programs should be significantly improved or scrapped, and that the possibility of having drug statistics collected by the National Center for Health Statistics or the new Bureau of Criminal Justice Statistics should be examined. (p.18)



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1/ The Wickersham Commission Reports, 1929, 1930; The President's Commission on Law Enforcement and Administration of Justice. "The Katzenbach Commission", 1967, and the National Advisory Commission on Criminal Justice Standards and Goals in 1973.

2/ Task Force Report, Crime and its Impact - An Assessment, U.S. Government Printing Office, Washington, D.C., 1967.

3/Criminal Justice System, U.S. Government Printing Office, 1974-528-395, Region No. 4.

4./Crime and its Impact Op cit p132 ff



Departments of Health, Education, and Welfare, Housing and Urban Development, and Justice

1978 Budget

Issue #5: Federal-State Cooperative Statistical Programs

Statement of Issue

What should be OMB's position concerning the establishment and maintenance of Federal-State Cooperative Statistical Programs in Departments with existing or proposed block grant programs?

Background

At least four Federal agencies, housed in three Departments, now have in operation or in proposed legislation substantial block grant programs which will decentralize the management and administration of funds to the State level. The States' capability to allocate the available resources appropriately and equitably will depend in large measure on their access to timely, accurate statistics.

Two Federal agencies have block grant programs in place. The Department of Justice has already initiated a cooperative statistical program, but funding for its Comprehensive Data System has declined substantially. The Department of Housing and Urban Development has not undertaken to develop or implement a cooperative statistical program.

The two proposed block grant programs are in Education and Health. Both of these agencies have developed cooperative statistical programs. In the case of Education, minimal financial resources have been allocated. In the case of Health, the cooperative program has received relatively low priority in terms of overall budget.

Each of the existing cooperative statistical programs has been developed independently. As a consequence, there is substantial disparity among the existing Departmental programs. At one extreme is HUD, which has made no effort to develop a cooperative statistical program. In Education, only minimal support is given to the State agencies. The Health statistics program serves the needs of States as well as the Federal government for general health statistics. The Health program seeks to support both implementation and maintenance activities. The LEAA program, on the other hand, concentrates support to the States on implementation activities, and provides only minimal support for system maintenance.



The Statistical Policy Division believes that OMB should actively encourage the development and maintenance of Federal-State Cooperative Statistical Programs in Departments having block grant programs, and should provide policy guidance concerning the limits of Federal funding responsibility for these activities.

Alternatives

- #1. Continue to treat each agency's cooperative statistical effort independently (Agency request).
- #2. Actively encourage agencies having block grant programs to develop and maintain cooperative statistical programs. Provide substantial Federal support for State level implementation and minimal direct support for system maintenance. Require use of block grant funds to support system maintenance (SP recommendation).
 - o Provide \$17.9 million in FY 1978 for the Cooperative Health Statistics System (Total NCHS budget recommended is \$34.0 million).
 - o Direct NCES to allocate an additional \$2.0 million from FY 1978 resources to the Common Core of Data and Assistance Programs (Total NCES budget recommended is \$17.2 million).
 - o Provide \$13.0 million in FY 1978 for LEAA Comprehensive Data System (Also see issue #4 on the Bureau of Criminal Statistics).
 - o Direct HUD to initiate planning for a Federal-State Cooperative Statistical Program.
- #3. Actively encourage agencies having block grant programs to develop and maintain cooperative statistical programs. Provide substantial Federal support for State level implementation and system maintenance.



Analysis

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
<u>Budget Authority</u>					
<u>(\$ Millions)</u>					
Alternative #1 (Agency Request)					
Department of Justice:	14.3	13.0	13.0	13.0	13.0
Department of HUD:	--	--	--	--	--
Education Division:	1.8	2.3	4.3	7.0	10.0
Public Health Service:	9.5	10.2	19.0	26.8	28.5
Alternative #2 (SP Recommendation)					
Department of Justice:	14.3	13.0	13.0	13.0	13.0
Department of HUD:	--	--	*	*	*
Education Division:	1.8	2.3	6.3	10.0**	10.0**
Public Health Service:	9.5	10.2	17.0	20.0**	21.0**
* No funding in FY '78 (out year costs would depend on '78 planning process)					
** Assumes the passage of block grant proposals					
Alternative #3					
Department of Justice:	14.3	13.0	13.0	40.0	50.0
Department of HUD:	--	--	--	*	*
Education Division:	1.8	2.3	4.3	30.0	50.0
Public Health Service:	9.5	10.2	19.0	75.0	90.0

* Depends on FY '78 planning process

The least expensive alternative is #1 in terms of immediate outlay, and it will result in failure to develop orderly statistical data for use at the Federal and State levels for the planning and administration of block grant program resources. Under this alternative, it is expected that in education and community development less, rather than more, attention will be given by the responsible agencies to this important area. The expected result will be an absence of standard, timely and reliable data for program administration.



The orderly, cooperative development of statistical systems to support Federal and State decisionmaking would be accomplished best through Alternative #2. Under this alternative, the level of direct Federal expenditure would be limited in the long-range. The major Federal investment would occur during the early years of the Cooperative Statistical Program, to ensure the consistent implementation of the program in the States. Maintenance costs would be drawn from the States' resources, under the block grant programs or otherwise. The funds for statistics comprise only a small proportion of the funds allocated for block grants.

Comparison of 1978 Block grant funding requests
with Federal/State Cooperative statistical systems
(\$ millions)

	<u>1978</u>
Department of Justice:	
Block grant funds	449.6
Cooperative Statistical Program	13.0
Department of HUD:	
Block grant funds	3,400.0
Cooperative Statistical Program	--
Education Division:	
Block grant funds	3,806.0
Cooperative Statistical Program	6.3
Public Health Service:	
Block grant funds	14,000.0
Cooperative Statistical Program	17.0

The most expensive alternative is #3. It poses the risk of having the Federal Government support the Cooperative Statistical Programs "forever." Given current policy, it may be anticipated that block grant programs, and the concomitant need for statistical data, will continue for an indeterminate number of years.

Alternative #1: Agency request

While clearly the least expensive in terms of short term outlays, this alternative may have long term costs to the Federal Government in terms of inadequate or inequitable distribution of Federal block grant funds. This alternative is not recommended.



Alternative #2: SP recommendation

This alternative will encourage and allow for the orderly development and implementation of cooperative statistical programs needed for the allocation of Federal block grant funds. At the same time, it will set a precedent for the limits of Federal responsibility in supporting maintenance of cooperative systems which are mutually needed. It should be noted that the funding levels recommended in this alternative do not reflect final recommendations of relevant budget divisions.

Alternative #3.

This alternative is too costly and not consistent with the block grant concept.



Issue Paper

Departments of Commerce and Treasury

1978 Budget

Issue #6: Revenue Sharing

Statement of Issue

Should the Bureau of the Census' Annual Survey of State and Local Government Finance be used to collect the state and local government reports on actual and proposed uses of revenue sharing entitlements required by Section 121 of the State and Local Fiscal Assistance Amendments of 1976 or should Treasury proceed with an independent survey?

Background

Each government(39,000) receiving benefits through the 1976 Amendments of the State and Local Fiscal Assistance Act of 1972 is required by those amendments to make an annual report to the Secretary of the Treasury on (1) how much of its previous year's entitlement was expended for what governmental functions, (2) how much was its total expenditure for each such function, and (3) how use of its entitlement differed from published plans for its use. The Congress intended that these reports provide for enhanced citizen participation in local budget decisionmaking and for the collection of detailed information on both the use and the fiscal impact of revenue sharing monies.

If these data are not collected as an integral part of the Bureau of the Census' Annual Survey of State and Local Government Finance, large scale duplication of reporting will occur. Furthermore, there are questions concerning the comparability of data collected and the practical use of these data for analysis of the impact of revenue sharing.



Alternatives

- #1. Use one Census Bureau survey to collect actual/proposed use data and the data now collected by Census in its Annual Survey of State and Local Finance. Further, combine Census' Annual Finance Survey with Census' Annual Survey of State and Local Revenues in fiscal year 1980 and secure an \$800 thousand offset. This would require an increase in the detail and coverage of the Annual Survey. It would also require minor modifications in the 1977 Census of Government Finance. All issues (redundancy, comparability and practical utility) would be resolved by this alternative (SP recommendation).
- #2. Use two coordinated Census Bureau surveys: (1) a new survey to collect actual/proposed use data and (2) the Annual Survey of Government Finance to continue as a separate survey. This alternative would resolve the comparability issue, partially resolve the practical utility issue, and leave the redundancy issue unresolved.
- #3. Rely upon the Department of Treasury to use methods similar to those employed by the Office of Revenue Sharing (1972 - 1976) for collection of Actual and Planned Use Reports. This would resolve none of the three issues.
- #4. In opposition to or in conjunction with the above alternatives, request Treasury to develop a legislative initiative which would remove the reporting requirements from the Act and substitute for them a requirement that each recipient government certify to the Secretary of Treasury that it had published proposed and actual use reports in local newspapers of general circulation and had thereby met the citizen participation requirements of the Act.

Analysis

Budget Authority (\$ Millions)

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
<u>Alternative #1 (SP rec.)</u>					
Treasury	.2	.2	-	-	-
Census	-	.2	.4	.8	.3 ^{a/}
<u>Alternative #2</u>					
Treasury	.2	.2	-	-	-
Census	-	.1	.3	.4	.4
<u>Alternative #3</u>					
Treasury	.2	.3	.3	.4	.4
Census	-	-	-	-	-
<u>Alternative #4</u>					
Treasury	.2	.2	-	-	-
Census	-	-	-	-	-

^{a/} The reduction from fiscal year 1979 to 1980 is due to the offset provided by the merger with Census' Annual Revenues Survey.



The reporting requirements of the State and Local Fiscal Assistance Amendments of 1976 pose issues involving redundant data collection, comparability of data, and practical utility of data. First, in opposition to the Presidential Management Initiative to reduce the burden of Federal reporting, the new requirements are likely to impose a redundant and unnecessary reporting burden on all large and many small governments if they are not fully integrated with ongoing Census programs. Second, this redundant data collection will result in two Federal statistical series whose data on state and local finance are not necessarily comparable. Third, though provided by Congress as a means for revenue sharing impact analysis, those reports, unless integrated with Census' Annual Survey of State and Local Finance, cannot contribute to the intended analysis. If the Department of the Treasury collects these data, the equivalent of an annual census of state and local government finance will be required, duplicating the Bureau of the Census' Annual Survey of State and Local Government Finance. (The Census survey collects fiscal data from 19,000 governments including 7,650 beneficiaries of the Act. All cities of more than 25,000 and all counties with more than 50,000 population are included in the Census survey.)

Because of the fungible character of revenue sharing expenditures, analysis of the impact of the Act on government finance and expenditures can best be accomplished through case studies and the development of econometric models which relate revenue sharing expenditures to the total resources and services of each government. From the standpoint of such analysis, actual/proposed use reports are not required. Though linked in the intent of Congress, actual/proposed use reports and meaningful impact analysis have no necessary relationship.

Alternative #1: Integration of Data Collection (SPD recommendation)

A maximum Census Bureau/Treasury program would involve full integration of actual/proposed use reporting and the Annual Finance Survey. This alternative would solve the redundancy problem, strengthen Census data on government finance, and provide limited support to revenue sharing impact analysis. This approach will enable analysis of revenue sharing expenditures in the context of both the total resources available to each government and the total services provided by each government. This strategy would prevent the development of separate data series. Moreover, this approach will strengthen Census' statistical series on government finance and will make possible future reductions in burden by integration in fiscal year 1980 of the expanded Annual Survey with intergovernmental revenue surveys now conducted by the Census Bureau. Integration with the revenues survey will provide an offset in fiscal year 1980 of \$300 thousand in Census' budget.



Alternative #2: Coordination with Census' Annual Finance Survey

A minimum Census Bureau/Treasury program would involve using Census methods to design and collect actual/proposed use reports. The data collection would be coordinated with, but not be a part of, Census' Annual Finance Survey. This approach would neither reduce burden nor result in the production of reliable data, for it would depend upon the capacity of each government to classify its expenditures in terms of the Census Bureau's categories. This alternative would neither provide impact analysis data, nor strengthen Census data on government finance. However, it would collect data on the basis of the Census Bureau's expenditure categories.

Alternative #3: Treasury Data Collection Independent of Census' Surveys

Reliance upon the Department of Treasury to develop and implement a program for collection of proposed and actual use data will result in redundant data collection and produce data of such poor quality that it will not be possible to produce valid or reliable national totals much less be used for comparisons between governments and entitlement periods.

Following enactment of the Act in 1972, OMB sought to achieve significant revisions of the Office of Revenue Sharing's reports collection plans. The OMB intent was to ensure that the data collected would relate to basic statistical series on government finance and be useful for intergovernmental comparisons. The ORS successfully opposed the OMB effort on the basis of ORS interpretation of Congressional intent. The 1976 amendments removed the grounds previously used by ORS in opposing OMB.

The redundancy, comparability and practical utility issues could be raised in the context of OMB review of ORS plans once submitted to OMB under the Federal Reports Act. However, submission of those reports for OMB clearance will occur too late for integration with the 1977 Census of Governments, making it infeasible for Census to provide ORS data on the schedule required for the distribution of entitlements.

Alternative #4: Legislative Initiative to Drop Reports

Alternative #4 proposes that the Department of Treasury develop a legislative initiative to substitute a certification process for the collection of actual/proposed use reports. This proposal distinguishes between the role of actual/proposed use reports in the citizen participation context specified in the Act and the role of those reports as gathered by the Secretary of Treasury for purposes of impact analysis. The actual/proposed use reports can only serve the citizen participation objective, because, as specified in the Act, those reports will collect only a small portion of the data required for impact analysis. Recipient governments could be required to publish actual and proposed use data in newspapers of general circulation and certify to the Secretary of Treasury that the information was available for citizen use in participation in the budget building process.



Of the four alternatives, removal of the reporting requirement is the most reasonable. This alternative was suggested to the 94th Congress staff, it was in the Senate bill, but was rejected in conference reflecting strong Congressional opposition. It is understood that Treasury is opposed to proposing this amendment to Congress.



Issue Paper
Information Item
1978 Budget
Issue #7: Energy Agencies

Issue: Coordination of budget review of 1978 requests for energy information and analysis programs from several agencies.

Statement of the Issue

What steps are needed to reduce the extent of duplication and overlap in the recommendations for energy information and analysis programs in the 1978 budgets of the FEA, ERDA, Bureau of Mines, FPC, and U.S. Geological Survey?

Background

After the Arab Oil embargo, some agencies were reorganized and new agencies were created. These agencies were quick to develop information gathering capabilities to support both regulatory and general policy functions. In addition, several existing agencies expanded their data collection efforts. The potential for duplication was great, especially because of the following factors:

- The Government did not have a catalog of data already collected in this area. Thus the agencies were not in all cases aware of the available data.
- Regulatory programs were started which required specific data not already collected in the necessary detail.
- Agencies had overlapping responsibilities and, therefore, need similar data analysis.
- New laws primarily affecting FEA multiplied that agency's responsibilities and often mandated specific data collection activities.



- Other factors, including the divided reports clearance responsibilities under the Federal Reports Act and inadequate resources for monitoring and coordinating the activities of many agencies, have hampered efforts to bring this situation under control.

Several steps have been taken to minimize the overlap and duplication of data collection. At OMB's insistence, FEA has initiated several interagency collection agreements with other agencies. The Federal Interagency Council on Energy Information has been created, and is working on uniform definitional standards, creating a data element dictionary, and coordinating data needs of many agencies. SPD is leading inter-agency groups in consolidating agencies' efforts in petroleum import statistics and estimates of oil and gas reserves. The development of the Framework for Planning U. S. Federal Statistics includes a chapter on energy which has already been of help in determining which direction a few agencies should take in the 1978 budget.

Even with these efforts to reduce duplication and to improve coordination in data collection, the situation in energy statistics is still largely uncontrolled. Congress views the present activities as confused and uncoordinated. The recently passed Energy Conservation and Production Act (ECPA) establishes the Office of Energy Information and Analysis in FEA with the responsibility, among other things, "to verify the accuracy of energy information submitted" to the FEA's energy information system and to "evaluate independently the adequacy and comprehensiveness of the energy information in possession of the Office and other agencies in the Federal Government." FEA has told us that an effective effort in this area covering the major information systems could not be accomplished in less than one year.

The problem of duplication in energy analysis (as distinct from energy data collection) is even greater. Every agency feels a need for an analytic capability. Although some agencies have fairly differentiated missions, the descriptions of their analytic and modeling capabilities indicate substantial overlap.

Consolidation of energy functions would help resolve some of the present problems associated with reviewing uncoordinated budget proposals from many agencies. However, reorganization is some time in the future, and will not help in the formulation of the 1978 budget.

OMB has received 1978 requests from many agencies which include significant increases for energy information and analysis programs. OMB cannot guarantee with any degree of assurance that these requests



do not duplicate existing programs or each other. This is particularly true for FEA's 1978 request for an additional \$18 million (on a base of \$17 million). Exact figures on ERDA's requested increase are not yet available, but OMB anticipates that it will be substantial.

<u>Agencies affected</u>	<u>\$ in millions)</u>	
	<u>1977 estimate</u>	<u>1978 request</u>
FEA	\$16.6	\$34.3
ERDA*	n.a.	n.a.
FPC	11.0	15.5
Bureau of Mines	13.3	20.5
U. S. Geological Survey**	n.a.	n.a.
n.a. - not available		

Not all agencies have submitted the necessary information required by A-11 nor have they responded fully to OMB's requests for additional information. SPD will be working closely in the coming weeks with those OMB divisions responsible for energy programs.

This issue is to be treated in the FEA Director's Review on November 16.

* ERDA has not yet submitted an Exhibit 54. As an indication of the possible magnitude involved, ERDA is requesting an increase of \$47.4 million (from \$63.2 to \$110.6 million) for systems studies comprising other programs in addition to Exhibit 54 activities.

** USGS has not submitted an Exhibit 54.





STATUS REPORT #1

"A FRAMEWORK FOR PLANNING U.S. FEDERAL STATISTICS, 1978-1989"

32

In January 1975, a three-year program to develop a comprehensive framework for U.S. Federal statistics was initiated. The first phase (1975) was devoted to designing a planning process which could be integrated with the ongoing planning efforts of individual statistical agencies and which could provide a framework for establishing priorities among various programs. The second phase (1976) is development of draft materials for review by users and producers of statistics. The initial drafting of these materials has been undertaken by the Statistical Policy Division. Drafts are now under review by 38 agencies which have a major role in Federal statistics. The agencies participating in the process are identified in Attachment A.

The objective of this process, in addition to establishing priorities among various statistical programs, is to assure better integration of Federal statistics. In recent years statistical programs have grown substantially, yet much of the growth has been in relatively independent special-purpose statistical programs which provide little opportunity for an integrated view of important policy issues. Three significant developments are underway to assure a better integration of Federal statistics. These are:

1. The Gross National Product Data Improvement Project is nearing completion. This review of the data base for the national income accounts has been underway since 1973. The final report of this project will assure orderly development of the data base for the national income accounts which provide an integrated view of economic developments.
2. On October 18, 1976, President Ford signed into law a bill authorizing a Mid-Decade Census. This mid-decade statistical effort will be designed to be the keystone in an integrated program of social statistics. It is expected that the decennial and mid-decade statistical efforts will eventually provide local area data, with annual social statistical programs at the Federal level being designed to provide nationwide estimates (and State estimates in certain cases). At the end of the decade it may be feasible to institute a "system of social and demographic statistics" as has been urged by the United Nations and others for the past two decades.
3. Congress recently established a commission to examine employment and unemployment statistics. These statistics, which contribute to both better understanding of economic developments and social conditions, have been the source of much criticism in recent years. The Commission, which has a very broad charter, is expected to make a substantial contribution to improving the conceptual basis for these important statistics.



The Framework includes a series of crosscutting issues which will influence the character and design of the Federal Statistical System. During the Fiscal Year 1978 crosscut, the Statistical Policy Division is introducing discussion of several issues relating to (1) the provision of resources to accelerate statistical integration, (2) the organization of Federal statistics, and (3) the establishment of a policy concerning Federal/State relationships. It is recognized that substantial additional work is essential in all these areas before the recommendations in the Framework will become effective.

The outline for the Framework is Attachment B. The projected time schedule for release of various chapters for public review and comment is shown in Attachment C.



Table 1: Major Agencies in the Federal Statistical System

General Coordination Agency

Statistical Policy Division, Office of Management
and Budget, Executive Office of the President

Core General Purpose Collection Agencies

Statistical Reporting Service, Department of Agriculture
Bureau of the Census, Department of Commerce
Bureau of Labor Statistics, Department of Labor

Functional General Purpose Collection Agencies

National Center for Education Statistics, Department of Health,
Education, and Welfare
National Center for Health Statistics, Department of Health,
Education, and Welfare
Office of the Assistant Secretary for Policy Development and
Research, Department of Housing and Urban Development
Bureau of Mines, Department of the Interior
Federal Bureau of Investigation, Department of Justice
Law Enforcement Assistance Administration, Department of Justice
Employment and Training Administration, Department of Labor
Internal Revenue Service, Department of the Treasury
Environmental Protection Agency
Federal Energy Administration
Federal Reserve System

Core General Purpose Analysis Agencies

Economic Research Service, Department of Agriculture
Bureau of Economic Analysis, Department of Commerce
Office of Research and Statistics, Social Security Administration,
Department of Health, Education, and Welfare
Office of the Assistant Secretary for Planning and Evaluation,
Department of Health, Education, and Welfare

Functional General Purpose Coordination Agency

Office of the Secretary, Department of Transportation

Program Collection and Analysis Agencies

Department of Health, Education, and Welfare
Alcohol, Drug Abuse, and Mental Health Administration
Center for Disease Control
Food and Drug Administration
Health Resources Administration (except the National Center for
Health Statistics)
Health Services Administration
National Institutes of Health
National Institute of Education



Program Collection and Analysis Agencies (Continued)

Department of Health, Education, and Welfare
Office of Education
Social and Rehabilitation Service
Office of the Assistant Secretary for
Human Development

Department of Housing and Urban Development
Office of the Assistant Secretary for
Community Planning and Development
Office of the Assistant Secretary for Housing

Department of Transportation
Federal Highway Administration
National Highway Traffic Safety Administration

Department of the Treasury
Office of the Secretary, including Office of
Revenue Sharing and Office of Tax Analysis

National Science Foundation
U. S. International Trade Commission
Veterans Administration



TOPICAL OUTLINE FOR A

**FRAMEWORK FOR PLANNING
U.S. FEDERAL STATISTICS**

1978-1989

This topical outline was prepared to set forth a forward-looking program for Federal statistics in the coming decade. It is published here in order to provide an early opportunity for comments and suggestions from data users, advisory committees, professional organizations and individuals. These can be directed to individual agencies or to the Statistical Policy Division.

PREPARED BY:
Statistical Policy Division
Office of Management and Budget
In Cooperation With
Other Federal Statistical Agencies



A FRAMEWORK FOR PLANNING
U.S. FEDERAL STATISTICS
1978-1989

Prepared by the
Statistical Policy Division, Office of Management and
Budget
In Cooperation With
Federal Agencies With Responsibility for the Collection,
Processing, Analysis, and Dissemination of Major
Governmental Statistical Programs

Preface

- I. Background - Section 103 of the Budget and Accounting Procedures Act of 1950.
- II. Relation to Other SPD Documents:
 - A. *Statistical Services of the United States Government, 1975.*
 - B. *Federal Statistics: Coordination, Standards, Guidelines, 1976.*
 - C. *Federal Statistical Directory.*
 - D. *Standard Metropolitan Statistical Areas, 1975.*
 - E. Others.

Section I *The Nature of the Plan*

- I. *Role of the Plan:*
 - A. As a framework for agencies to improve coordination.
 - B. As a vehicle for setting and revising statistical priorities for multipurpose and large-scale statistical programs.
 - C. As a forum for identifying crosscutting statistical issues.
 - D. As a mechanism for improving feedback from public and private users of Federal statistics.
 - E. As an overview to specific plans of agencies.
- II. *The Character of the Plan:*
 - A. A flexible document subject to change as priorities evolve, as problems are solved, and as difficulties arise.
 - B. It is not a budget document, but it has budgetary implications.
 - C. It examines agencies, programs, and issues with an objective of clarifying important interactions in the decentralized U.S. statistical system.
 - D. It focuses on the 1980's, recognizing the base of the ongoing program of the 1970's and the present unresolved issues.
- III. *Planning is a Participatory Process:*
 - A. It must recognize the needs of both the producers and the users of statistics.
 - B. *Agencies will have needs which are not addressed in the Plan:*
 1. The Plan is directed to major general-purpose needs and interagency concerns.
 2. Agency plans will deal with specific needs of agencies.
- IV. *The Keys to an Integrated Statistical System:*
 - A. Standard concepts and classifications.

- B. General-purpose collection efforts.
- C. A formal network of policy committees defining needs and priorities in functional areas.
- D. A formal network of technical interagency working groups.
- E. An institutionalized mechanism for public advice and comment to the collection and analytical agencies.
- F. A control agency for continual planning and coordination.

Section II *The Organization of U.S. Federal Statistics*

- I. *The Decentralized Organization of U.S. Statistical Agencies:*
 - A. Existing legislation and strengths of the existing system.
 - B. Problems which are created.
 - C. Need for quality control and limited consolidation.
- II. *Different Roles and Functions for Statistical Organization:*
 - A. A typology of agency by functions and type of organization:
 1. Relate agency to budget functional classification.
 2. Describe agencies in terms of primary (focal agency) or secondary roles (reimbursable programs).
 - B. *Present roles and missions of major agencies:*
 1. Collection agencies.
 2. Analytical agencies.
 3. Statistical support organizations.
 - C. *Proposed future roles and missions:*
 1. Collection agencies.
 2. Analytical agencies.
 3. Statistical support organizations.
 - D. *Control mechanisms:*
 1. Congressional oversight.
 2. Departmental review.
 3. GAO.
 4. OMB.

Section III *The State of Statistics by Functional Areas*

- I. *Listing of Functional Areas:*
 - A. Labor statistics.
 - B. Prices and price indexes.
 - C. Production and distribution statistics.
 - D. Construction statistics.
 - E. National economic and business financial accounts.
 - F. Energy statistics.
 - G. Environmental statistics.
 - H. Health statistics.
 - I. Population statistics.
 - J. Education statistics.
 - K. Criminal justice statistics.
 - L. Income maintenance and welfare statistics.
 - M. Housing and community development.
 - N. Income, wealth, and consumption.
 - O. Agricultural commodities.
 - P. Transportation.

May 1976

(Reprinted from Statistical Reporter, May 1976, Number 76-11)



- II. *For Each of the Above, Discussion will Review:*
 - A. Responsible agencies.
 - B. Major user groups, including policy groups.
 - C. The basic core program that exists.
 - D. Important gaps.
 - E. Programs which should be discontinued.
 - F. Recommended new programs.

Section IV *Crosscutting Issues*

- I. *The character of crosscutting issues:*
 - A. Describe the nature of the issue.
 - B. Identify the agencies and/or programs involved.
 - C. Outline policy recommendations.
 - D. *Describe steps to be taken:*
 1. Program consolidation.
 2. New initiatives required.
 3. Role of existing or proposed interagency committees, advisory bodies, or research efforts.
 4. Outline time frame.
- II. *The Specific Issues:*
 - A. *Longitudinal surveys:*
 1. Needs for longitudinal data.
 2. Relation to privacy and respondent burden.
 3. Responsibility for design and maintenance of program.
 4. Role of special purpose in multipurpose programs or instruments.
 5. Use of administrative records.
 - B. *General-purpose sample vehicles:*
 1. Statistical methodology.
 2. Role and mission.
 3. Funding (tax on principal agencies—name them).
 - C. *Social Indicators:*
 1. Relation to the System of Social and Demographic Statistics.
 2. Relation to the Monthly Chartbook.
 3. Periodicity of publication and scope of coverage.
 - D. *Civil rights data:*
 1. Conceptual issues in measuring discrimination.
 2. Level of detail needed (ethnic group, geography, etc.).
 3. Relation to administrative records.
 - E. *Professional staff training:*
 1. Type of needs in agencies.
 2. Relation to existing intramural and extramural programs.
 3. Interagency transfers.
 - F. *Confidentiality:*
 1. Problems with existing laws, rules, and regulations.
 2. Needed legislation.
 3. Organizational implications.
 4. Relation to sample design and *Industrial Directory*.
 - G. *Standard Industrial Directory:*
 1. Goals and objectives of present program.
 2. Needed legislation.
 3. Role of Directory in programs of various agencies.

- H. *Reporting burden:*
 1. Definition of burden associated with general-purpose statistics.
 2. Relation to recommendation of the Commission on Federal Paperwork.
 3. Relation to other portions of the Plan.
- I. *Longrun growth models:*
 1. Description of agency programs.
 2. Needs for standardized data inputs.
 3. Relation to existing data programs.
- J. *International statistics and technical assistance:*
 1. Role of agencies in international programs.
 2. Longrun funding for technical assistance.
 3. Relation to multinational programs for data standardization and data improvement.
- K. *Interagency (reimbursable) funding:*
 1. Analysis of the concept of sponsoring agency responsibility.
 2. Mechanisms for multiagency funding.
 3. Relation of reimbursable funding to primary agency role and mission.
- L. *User access-data banks:*
 1. Description of agency programs.
 2. Role of public-use tapes.
 3. Transfer of data among agencies.
 4. Relation to confidentiality.
 5. Needs for computer systems.
- M. *A program of standards development:*
 1. A standard stub of survey classifications.
 2. Occupations classifications.
 3. Industry classifications.
 4. Commodity classifications.
 5. Presentation standards.
 6. Timeliness.
 7. Public-use samples.
 8. Quality controls.
- N. *The Federal-State cooperative systems of data collection:*
 1. Limits of Federal responsibility.
 2. Standards.
 3. Division of labor.
 4. Technical assistance.

Section V *Evolution of the Statistical Plan for the 1980's*

- I. *Nature of Statistical Programs in a Dynamic, Complex Society:*
 - A. Needs for historical continuity.
 - B. Needs for new concepts.
 - C. Problem anticipation.
 - D. Conflicts in values—burden vs. information, privacy vs. exchange, needs vs. resources, etc.
- II. *An Overview of Proposals for Agency Roles, New General-Purpose Programs, and Solution of Crosscutting Issues:*
 - A. How the parts of the Plan interact.
 - B. Recommended sequence of actions.
- III. *A Program of Research and Review:*
 - A. Unemployment concepts.
 - B. National Income Accounting concepts.
 - C. System of Social and Demographic Statistics.
 - D. Financial statistics.
 - E. International trade statistics.
 - F. Balance of Payments and international finance.
 - G. Others.

Appendix A

Historical Review of the Statistical Budget -- Focus on 1970-1977.

Appendix B

Agency Roles in Functional Areas.

Appendix C

The 1977 Statistical Budget by Major Program -- Exhibit 5-1's.

Bibliography

Key reports and plans like the Health Data Plan, the Common Core of Education Data, and the Report of the Federal Council on the 1980 Census.

SPD staff responsible for the various topics are noted below. Please send your comments directly to the responsible staff person.

Section I - The Nature of the Plan

(Joseph W. Duncan)

Section II - The Organization of U.S.

Federal Statistics

(Joseph W. Duncan)

Section III - The State of Statistics

by Functional Areas

- A. Labor Statistics
(Arnold Strasser)
- B. Prices and Price Indexes
(Arnold Strasser)
- C. Production and Distribution Statistics
(Milo Peterson)
- D. Construction Statistics
(LaVerne Collins)
- E. National Economic and Business
Financial Accounts
(LaVerne V. Collins)
- F. Energy Statistics
(David T. Hulett)
- G. Environmental Statistics
(Charles A. Ellett)
- H. Health Statistics
(Richard A. Eisinger)
- I. Population Statistics
(George Hall)
- J. Education Statistics
(Katherine K. Wallman)
- K. Criminal Justice Statistics
(George E. Hall)

- L. Income Maintenance and
Welfare Statistics
(Milo B. Sunderhauf)
- M. Housing and Community Development
(Milo B. Sunderhauf)
- N. Income, Wealth, and Consumption
Statistics
(C. Louis Kincannon)
- O. Agricultural Commodities
(David T. Hulett)
- P. Transportation
(Arnold Strasser)

Section IV - Crosscutting Issues

- A. Longitudinal Surveys
(George E. Hall)
- B. General-Purpose Sample Vehicles
(George E. Hall)
- C. Social Indicators
(Denis F. Johnston)
- D. Civil Rights Data
(Katherine K. Wallman)
- E. Professional Staff Training
(Barbara F. Reese)
- F. Confidentiality
(David T. Hulett)
- G. Standard Industrial Directory
(Milo O. Peterson)
- H. Reporting Burden
(Royce L. Lowry)
- I. Longrun Growth Models
(Joseph W. Duncan)
- J. International Statistics and
Technical Assistance
(Joseph W. Duncan)
- K. Interagency (Reimbursable)
Funding
(Robert W. Raynsford)
- L. User Access-Data Banks
(Suzann K. Evinger)
- M. A Program of Standards Development
(Milo O. Peterson)
- N. The Federal-State Cooperative
Systems of Data Collection
(Katherine K. Wallman)

*Section V - Evolution of the Statistical
Plan for the 1980's*

(Joseph W. Duncan)

FRAMEWORK FOR PLANNING U.S. FEDERAL STATISTICS

Drafting Schedule

<u>Chapters</u>	<u>First issued</u>	<u>Final Agency Comments Due</u>	<u>Public Review Starts</u>
PREFACE	October	January	February
SECTION-I			
The Nature of the Plan:	October	January	February
SECTION-II			
Organization:	October	January	February
Social Statistics Overview	November	February	March
Economic Statistics Overview	October	January	February
SECTION-III FUNCTIONAL AREAS:			
A.-Labor	October	January	February
B.-Prices	October	January	February
C.-Production & Distribution	October	January	February
D.-Construction	October	January	February
E.-National Accounts	October	January	February
F.-Energy	October	January	February
G.-Environmental	October	January	February
H.-Health	October	January	February
I.-Population	October	January	February
J.-Education	October	January	February
K.-Criminal Justice	October	January	February
L.-Income Maintenance	November	February	March
M.-Housing	October	January	February
N.-Income & Consumption	October	January	February
O.-Agricultural Commodities	December	March	April
P.-Transportation	December	March	April
SECTION-IV			
CROSSCUTTING ISSUES:			
A.-Longitudinal Surveys	November	February	March
B.-General Purpose Samples	December	March	April
C.-Social Indicators	December	March	April
D.-Civil Rights	October	January	February
E.-Professional Staff Training	November	February	March
F.-Confidentiality	October	January	February
G.-Standard Industrial Directory	November	February	March
H.-Reporting Burden	December	March	April
I.-Longrun Growth Models	October	January	February
J.-International Technical Assistance	December	March	April
K.-Interagency Funding	October	January	February
L.-User-Access Data	October	January	February
M.-Program of Standards Development	November	February	March
N.-Fed.-State Cooperative Systems	October	January	February
O.-Statistical Methodology	December	March	April

October 1976



STATUS REPORT #2
REDUCING THE BURDEN OF FEDERAL REPORTING:
STATUS OF THE PRESIDENT'S PROGRAM

Summary data from the September 30, 1976 Inventories of Repetitive and Single-time Reports show that there has been a decline in reporting burden since June 30, 1976. The burden of repetitive reports is shown as 135.2 million reporting hours, a decrease of 3.2 million reporting hours, or 2.3 percent since June 30, 1976.

The decline in reporting burden is associated with a continuing decline in the number of reports used by Federal agencies. Since the guidelines for Phase II of the President's Program went to agencies on September 1, 1976, it is unlikely that any of the reduction can be attributed to agency response to this new Presidential initiative.

As part of our efforts to secure the effective implementation of the President's program, staff of SPD Clearance Office will make some initial explorations into actual agency usage of information collected from the public. It has been a weakness in our review of data collection activities that we have never found out how information is actually used by making on-site visits to agencies.

The single experiment we have made regarding use of the Weekly Payroll Report submitted by all construction contractors has produced irrefutable evidence that only a small proportion of these thousands of reports submitted each week are actually used. This is in contradiction to statements which have been presented to us previously by the Department of Labor. We will be forwarding shortly a proposed letter from the Director to the Secretary of Labor asking him to seriously reexamine the "need" for this information when it is so clearly unused.

We feel that our efforts to look at the "practical utility" of information collected by Federal agencies constitute a promising additional tool to help reduce useless reporting by the public.

As a result of OMB's pilot effort, we expect to produce results which will encourage agencies to undertake similar activities on their own.



The public interest in the President's program, and the intensive monitoring of its progress by the Commission on Federal Paperwork (they expect to have a staff larger than that of our Clearance Office to monitor the Clearance Office) means more paperwork for OMB.

In essence, we are being called upon to produce a monthly report which will summarize all the transactions for each month, by agency, by type of report, and by type of respondent. In response to public scrutiny, we are reprogramming our internal information system.

Additionally, it will be essential for continuing work by the OMB staff on position papers being developed by the Commission on Federal Paperwork since the Director, as a member, must be responsive to the issues.



Principal Federal Statistical Programs, By Agency
(million \$)

A. Current Programs

<u>Current Programs</u>	<u>FY 1976 Actual</u>	<u>TQ Estimate</u>	<u>FY 1977 Estimates</u>	<u>FY 1978</u>	
				<u>Agency Requests</u>	<u>SP Recom- mendations</u>
<u>Department of Agriculture:</u>					
Agricultural Research Service					
Economic Research Service					
Foreign Agricultural Service					
Statistical Reporting Service	31.4	7.9	34.5	35.9	35.9
<u>Department of Commerce:</u>					
Bureau of Economic Analysis	11.8		12.3	13.3	13.3
Bureau of the Census	41.5		43.3	44.7	44.7
Domestic and International Business Administration ..	3.0	.7	2.8	2.8	2.8
Economic Development Administration	1.0	.1	.3	.4	.4
National Bureau of Fire Prevention .....	.8	.2	1.2	1.8	1.8
National Oceanic and Atmospheric Administration	2.6	.7	4.0	5.4	5.4
<u>Department of Defense:</u>					
Corps of Engineers	1.8		2.0	2.2	2.2



Principal Federal Statistical Programs, By Agency
(million \$)

Current Programs

<u>Current Programs</u>	<u>FY 1976 Actual</u>	<u>TQ Estimate</u>	<u>FY 1977 Estimates</u>	<u>FY 1978</u>	
				<u>Agency Requests</u>	<u>SP Recom- mendations</u>
<u>Department of Health, Education, and Welfare:</u>					
Alcohol, Drug Abuse, and Mental Health Administration	6.8	1.3	7.8	9.4	9.4
Center for Disease Control	2.5	.5	3.7	3.9	3.9
Food and Drug Administration	1.6	.3	1.7	1.9	1.9
Health Resources Administration:					
National Center for Health Statistics	26.1	6.5	27.6	44.0	34.0 *
Other Health Resources Administration	7.0	.3	1.9	2.5	2.5
Health Services Administration	1.9	1.5	2.9	3.8	3.8
National Center for Education Statistics	13.0	3.3	12.0	17.2	17.2**
National Institutes of Health	23.4	6.0	29.1	30.0	30.0
Office of the Assistant Secretary for Human Development	4.9	1.0	4.6	3.2	3.2
Office of Assistant Secretary for Planning and Evaluation	5.9	1.1	3.7	5.8	5.8
Office of Education	14.3	7.8	1.3	1.3	1.3

* HRD's recommendation for NCHS is \$28.0M.

** HRD's recommendation for NCES is \$12.0M.

GERALD R. FOR

Principal Federal Statistical Programs, By Agency
(million \$)

Current Programs

<u>Current Programs</u>	<u>FY 1976 Actual</u>	<u>TQ Estimate</u>	<u>FY 1977 Estimates</u>	<u>FY 1978</u>	
				<u>Agency Requests</u>	<u>SP Recom- mendations</u>
<u>Department of Health, Education, and Welfare: (Cont.)</u>					
Social and Rehabilitation Service	6.3	1.6	7.6	8.2	8.2
Social Security Administration	22.2	13.5	32.0	35.6	35.6
<u>Department of Housing and Urban Development:</u>					
Community Planning and Development	1.0	.2	1.6	2.3	2.3
Housing					
Policy Development and Research	9.7	2.6	10.3	12.9	12.9
<u>Department of the Interior:</u>					
Bureau of Mines	13.0	3.3	13.3	20.5	13.8#
Fish and Wildlife Service	6.7	1.3	6.8	6.8	6.8
Mining Enforcement and Safety Administration	1.7	.4	1.6	1.6	1.6
<u>Department of Justice:</u>					
Drug Enforcement Administration					
Federal Bureau of Investigation					
Law Enforcement Assistance Administration	34.0	11.3	24.8	27.3	27.3

SPD's recommendation is subject to change.



Principal Federal Statistical Programs, By Agency
(million \$)

Current Programs

<u>Current Programs</u>	<u>FY 1976 Actual</u>	<u>TQ Estimate</u>	<u>FY 1977 Estimates</u>	<u>FY 1978</u>	
				<u>Agency Requests</u>	<u>SP Recom- mendations</u>
<u>Department of Labor:</u>					
Bureau of Labor Statistics	53.2	15.5	65.9	83.6##	82.2##
Employment and Training Administration	26.3	5.5	23.0	23.3	23.3
Employment Standards Administration .....	.5	.1	.5	.5	.5
Occupational Safety and Health Administration	5.4	1.5	6.2	6.2	6.2
<u>Department of Transportation:</u>					
Office of the Secretary	3.1	.7	2.8	3.1	3.1
Federal Highway Administration	3.3	1.9	4.9	5.1	5.1
Federal Railroad Administration	1.0	.2	1.3	.8	.8
National Highway Traffic Safety Administration	6.8	2.4	11.9	14.5	14.5
Urban Mass Transportation Administration	0.1	0.3	0.9	0.8	0.8
<u>Department of the Treasury:</u>					
Office of the Secretary					
Internal Revenue Service	13.1	4.3	12.5	13.5	13.5

In 1978, BLS' budget includes a \$3.9M transfer from the nonstatistical program of ETA.



Principal Federal Statistical Programs, By Agency
(million \$)

Current Programs

<u>Current Programs</u>	<u>FY 1976 Actual</u>	<u>TQ Estimate</u>	<u>FY 1977 Estimates</u>	<u>FY 1978</u>	
				<u>Agency Requests</u>	<u>SP Recom- mendations</u>
<u>Department of the Treasury: (Cont.)</u>					
U. S. Customs Service .....	.3	.9	3.4	3.4	3.4
INDEPENDENT AGENCIES					
Civil Aeronautics Board	2.2	.6	2.4	2.6	2.6
Consumer Product Safety Commission	2.3	.8	2.8	2.8	2.8
Environmental Protection Agency	13.5***	3.5***	14.8***	16.3***	16.3***
Federal Energy Administration					
Federal Home Loan Bank Board					
Federal Power Commission	9.1	2.6	11.0	15.5	15.5
Federal Trade Commission	1.1	.4	1.6	1.9	1.7
Interstate Commerce Commission	1.2		1.2	1.2	1.2
National Science Foundation	2.1	.7	2.3	3.0	3.0
Securities and Exchange Commission .....	.7	.2	.8	.8	.8

*** Partial data.



Principal Federal Statistical Programs, By Agency
(million \$)

Current Programs

<u>Current Programs</u>	FY 1976 <u>Actual</u>	TQ <u>Estimate</u>	FY 1977 <u>Estimates</u>	FY 1978	
				<u>Agency Requests</u>	<u>SP Recom- mendations</u>
INDEPENDENT AGENCIES (Continued)					
Veterans Administration	8.2	1.9	7.9	8.4	8.4
Total, current programs	449.0		472.5	551.7	533.4



B. Periodic Programs (million \$)

	FY 1976 <u>Actual</u>	TQ <u>Estimate</u>	FY 1977 <u>Estimates</u>	FY 1978	
				<u>Agency Requests</u>	<u>SP Recom- mendations</u>
Bureau of the Census					
1972 Economic Censuses .....	.9	-	-	-	-
1977 Economic Censuses	2.2	1.4	6.7	14.9	14.9
1977 Census of Governments .....	.4	.3	3.7	1.0	1.0
1974 Census of Agriculture	8.4	1.4	2.4	-	-
1978 Census of Agriculture	-	-	3.7	8.3	8.3
Intercensal demographic estimates	7.4	.5	1.7	1.7	1.7
1980 Decennial Census	4.9	2.7	17.4	29.3	29.6
Registration and voting surveys .....	.1	-	3.5	-	-
Periodic programs geographic support	2.4	.7	2.8	2.8	2.8
Data processing equipment	2.7	.7	7.6	12.2	12.2
General administration and other	1.6	.4	2.5	3.7	3.7
Bureau of Labor Statistics					
Revision of Consumer Price Index	6.9	2.0	5.6	-	-
Standard industrial classification revision program .	1.5	.4	1.5	1.5	1.5
Total Periodic Programs	39.5	10.6	59.0	75.5	75.7
Total, Principal Statistical Programs	488.5		531.6	627.2	609.2



