Statement by

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before the

Subcommittee on Census and Population

of the

Committee on Post Office and Civil Service

House of Representatives

April 13, 1978

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Mr. Chairman and Members of the Committee, I am pleased to discuss with you H.R. 11253, a bill providing for the systematic review and reauthorization of federal statistical activities. The collection of statistics by the government is essential to the functioning of a civilized society. This fact was recognized in the U.S. Constitution, which requires a census. Statistics are needed for the enforcement of laws, for the evaluation and management of programs, and for the development of policy. The need for statistics affects all areas of the government and has produced increasing demands for more and better data.

All too frequently, however, we are faced by inadequate information, questions that cannot be answered, and demands on the public to fill out more forms and provide more answers to a never-ending stream of questions. Redundant information is collected by various federal agencies. Data are gathered at an ever-rising cost to the government, to recipients of government funds, and to the public; unfortunately, some of these data are never used. These problems result, in part, from legislated requirements for reports and studies to provide the Congress with the information it needs to address the problems of the nation. They also result, in part, from the inadequate utilization of our existing statistical resources.

H.R. 11253 recognizes the need to rationalize federal information gathering. Through regular reauthorization of statistical authority and through requirements for statistical impact statements, the Federal Statistical Activity Control Act of 1978 attempts to strengthen

Congressional control over information gathering. It would improve the federal statistical enterprise through improving the quality of Congressional review over requirements for information. This approach to the overall problem is an important one.

The improvement of federal information gathering will also require improvement in the execution of the statistical authorities. Greater coordination is needed among the federal agencies that collect data. Information must be shared, access to data must be enhanced, and duplication and excess burdens must be eliminated. It is my understanding that the Administration has undertaken a review of the federal statistical enterprise as part of its reorganization studies. Like the strengthening of the Congressional review of federal information gathering, this is an important undertaking and, if possible, it should be coordinated with the legislation under discussion.

The first step that must be taken to improve the Congressional review of federal statistical activity is the development of an accurate, up-to-date catalog or inventory of federal statistical authority. Section 402 of the bill provides for a compilation of federal statistical activities. This section requires the Office of Management and Budget to prepare an inventory of federal statistical activities within six months of enactment, to be followed six months later by a computer-supported, continuously updated inventory of federal statistical activities.

The Congressional Budget Office's experience in cataloging federal programs and maintaining budget information systems suggests two observations that are relevant to this requirement. First, gathering the initial inventory may take longer than six months. Second, the catalog should be kept to the minimum data necessary to meet the objectives of the statistical activity control process. The accuracy and timeliness of the data are essential. The difficulty in maintaining the accuracy and timeliness of the catalog grows with each requirement for additional information.

Although the objectives of the bill have undeniable merit, I think there is some question about how they can best be achieved. The bill places the primary responsibility for the review of federal statistical authority on the Congressional committees through the requirement to include statistical impact statements in the reports accompanying each bill providing statistical authority. This provision is comparable to the requirement in the Senate rules for regulatory impact statements and to the requirement in the House rules for inflation impact statements. In mid-March of this year, we received a request from Chairman Robert Giaimo of the House Budget Committee to consider a proposal from Congressman Paul Simon that CBO provide inflation impact statements in the future. Mr. Simon's request was based on his observation that the current efforts to satisfy the requirement result either in a statement in "boiler plate" language or in an analysis done by an agency that has a strong stake in the legislation. The Senate's experience with regulatory impact statements has been similar. I am concerned that this requirement for statistical impact statements will meet a similar fate.

Imposing new requirements—such as the proposed statistical impact statements—on Congressional procedures would face a number of obstacles. First, the workload of the standing committees is already very great. Second, the expertise to generate required information, or to review impact statements supplied by others, may not be generally available in the Congressional committees. Third, the timing of legislation creates a problem. Many bills are reported with very short notice. In preparing cost estimates for reported bills, we have found that committees frequently want the estimates almost immediately. The strains on Congressional workload caused by the schedule and procedural requirements of the Congressional Budget Act are good examples of the difficulties the Congress faces in placing new requirements on itself.

Section 4 of the bill presents the language describing the information that will have to be included in the statistical impact statements. The information required is extensive; it is required for "any survey" that can be anticipated under the statistical authority. As currently drafted, this requirement suggests an enormous amount of detail and may pose all of the problems encountered in implementing inflation and regulatory impact statements. It also may not be possible to prepare such detailed impact statements until specifications have been developed by the Executive Branch.

One alternative that might be considered would be to shift the primary burden to the Executive Branch. President Carter's recent executive order on improving government regulations presents a good

example of the Executive Branch assuming responsibility for review of the impact of federal activity. Possibly, a comparable procedure could be instituted for the review of federal statistical activities. Across-the-board reviews could be handled by the Executive agencies, leaving the Congress free to review broader areas of policy or to focus on problem areas more selectively.

Mr. Chairman, in your letter inviting CBO testimony before this Committee, you requested that we comment on CBO's capability to provide assistance to the committees in preparing the statistical impact statements. In discussions with your staff, we have been informed that such assistance is envisioned to be consistent with the constraints of CBO's existing legislative charter. As you know, CBO is required by the Congressional Budget Act to provide cost estimates on pending legislation to be included in the committees reports. Pursuant to the Budget Act, CBO is to respond to requests from committee chairmen, not individual Members. The bill further limits this requirement by the constraint "to the extent practicable."

It is difficult to assess the extent to which the committees would request CBO assistance. Contributing cost estimates to the impact statements for the periodic reauthorization of statistical authorities would probably not take more than a few additional CBO personnel. Since each grant of statistical authority could, however, potentially authorize a number of surveys, the additional requirement for CBO staff could be substantially higher. Once an inventory of statistical authority is in place, it will be possible to provide a more precise estimate.



In conclusion, Mr. Chairman, I want to assure you that the Congressional Budget Office will provide you with whatever cooperation and assistance we can to make this important effort work. Thank you for the opportunity to discuss this proposal with you. I will be pleased to answer any questions you or Members of the Committee may have.