



HOUSE COMMITTEE ON
NATURAL RESOURCES
CHAIRMAN BRUCE WESTERMAN

To: House Committee on Natural Resources Republican Members
From: Indian and Insular Affairs Subcommittee staff: Ken Degenfelder (Ken.Degenfelder@mail.house.gov), and Justin Rhee (Justin.Rhee@mail.house.gov), x6-9725
Date: Thursday, June 13, 2024
Subject: Oversight Hearing: “Examining GAO’s Findings to Address Data Gaps and Improve Data Collection in the Territories”

The Subcommittee on Indian and Insular Affairs will hold an oversight hearing titled “Examining GAO’s Findings to Address Data Gaps and Improve Data Collection in the Territories” on **Thursday, June 13, 2024, at 10:00 a.m. in 1324 Longworth House Office Building.**

Member offices are requested to notify Haig Kadian (Haig.Kadian@mail.house.gov) by 4:30 p.m. (EST) on Wednesday, June 12, 2024, if their member intends to participate in the hearing.

I. KEY MESSAGES

- There are major gaps in federal data collection for the U.S. territories of American Samoa, Guam, the Northern Mariana Islands (CNMI), Puerto Rico, and the U.S. Virgin Islands (USVI).
- Data collection for the U.S. territories are significantly less comprehensive than U.S. states and the District of Columbia, with federal statistical products either excluding all or some of the U.S. territories.
- When statistical data is available for the U.S. territories, it may be outdated, inconsistently reported, or undergo less rigorous quality control mechanisms than compared to the 50 U.S. states and the District of Columbia.
- Data gaps create barriers to effective and coordinated federal policy in the U.S. territories and territorial government operations.
- Addressing these gaps is fiscally responsible and will save U.S. taxpayer dollars.
- Despite ample notice of the hearing date and the importance of the subject matter, the Office of Management and Budget has declined to appear before the Subcommittee to testify on the issues of statistical data collection in the U.S. territories.

WITNESSES

- **Ms. Melissa Braybrooks**, Economist, Office of Insular Affairs, U.S. Department of the Interior, Washington, D.C.

- **Dr. Karin Orvis**, Chief Statistician of the United States, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. [*Invited/or designee, declined to attend*]
- **Ms. Latesha Love-Grayer**, Director, International Affairs and Trade, U.S. Government Accountability Office, Washington, D.C.
- **Ms. Lola Leon Guerrero**, Director, Bureau of Statistics and Plans, Government of Guam, Hagatna, Guam
- **Mr. Jacobo Orenstein-Cardona**, Executive Assistant, Puerto Rico Institute of Statistics, Government of Puerto Rico, San Juan, Puerto Rico
- **Dr. Michael Levin**, Managing Partner, PacificWeb LLC, Honolulu, Hawaii

II. BACKGROUND

This hearing will review the findings and recommendations from the May 9, 2024, U.S. Government Accountability Office (GAO) report titled *U.S. Territories: Coordinated Federal Approach Needed to Better Address Data Gaps*. According to the GAO, federal agencies “[need] evidence, including statistics, to help guide decision-making, evaluate the effectiveness of programs, and determine where best to target resources... [agencies are] also expected to ensure the quality of data used for these purposes.”¹ The report provides the GAO’s findings on gaps in federal data for the U.S. territories and their recommendation for executive action.

The Federal Statistical System

According to the Congressional Research Service (CRS), there are more than 100 agencies, organizational units and programs in the U.S. government’s federal statistical system.² This decentralized system has 13 statistical agencies that the Office of Management and Budget (OMB) identifies as principal statistical agencies (PSAs) that produce a substantial portion of federal statistics. The 13 PSAs include:

- Census Bureau (Department of Commerce);³
- Bureau of Labor Statistics (Department of Labor);⁴
- Bureau of Economic Analysis (Department of Commerce);⁵
- Bureau of Justice Statistics (Department of Justice);⁶
- Bureau of Transportation Statistics (Department of Transportation);⁷
- Economic Research Service (Department of Agriculture);⁸
- National Agricultural Statistics Service (Department of Agriculture);⁹

¹ U.S. Government Accountability Office, *U.S. Territories: Coordinated Federal Approach Needed to Better Address Data Gaps*, GAO-24-106574 <https://www.gao.gov/assets/gao-24-106574.pdf>.

² Congressional Research Service Memorandum as requested by the House Committee on Natural Resources GOP Staff.

³ For more information, see CRS Report R47847, *The U.S. Census Bureau: An Overview*, by Taylor R. Knoedl and The United States Census Bureau, <https://www.census.gov/>.

⁴ “Frequently Asked Questions (FAQs),” Bureau of Labor Statistics, <https://www.bls.gov/bls/faqs.htm>.

⁵ “Who We Are,” Bureau of Economic Analysis, <https://www.bea.gov/about/who-we-are>.

⁶ “About Us,” Bureau of Justice Statistics, <https://bjs.ojp.gov/about>.

⁷ “Browse Statistical Products and Data,” Bureau of Transportation Statistics, <https://www.bts.gov/browse-statistical-products-and-data>.

⁸ “About ERS,” Economic Research Service, <https://www.ers.usda.gov/about-ers/>.

⁹ “About NASS,” National Agricultural Statistics Service, https://www.nass.usda.gov/About_NASS/index.php.

- National Center for Education Statistics (Department of Education);¹⁰
- National Center for Health Statistics (Centers for Disease Control and Prevention);¹¹
- National Center for Science and Engineering Statistics (National Science Foundation);¹²
- Office of Research, Evaluation, and Statistics (Social Security Administration);¹³
- Statistics of Income (Internal Revenue Service);¹⁴ and
- Energy Information Administration (Department of Energy).¹⁵

The 13 PSAs and 100 additional federal statistical programs are led and coordinated by the Chief Statistician of the United States (CSOTUS) under the OMB and the Interagency Council on Statistical Policy (ICSP).

The CSOTUS heads the OMB’s Office of Information and Regulatory Affairs.¹⁶ The CSOTUS is responsible for “coordinating the activities of the U.S. federal statistical system to ensure efficiency and effectiveness of the system...”, and “ensuring the agencies’ budget proposals are consistent with U.S. federal statistical system priorities.”¹⁷ The CSOTUS is also responsible for “developing and implementing U.S. government-wide statistical policies, principles, standards, guidelines, and regulations.”¹⁸

The ICSP¹⁹ was established administratively in 1989 to improve communication among the principal statistical agencies. The ICSP’s role has since evolved to include advising and assisting the CSOTUS.²⁰ There are 27 members on the ICSP, comprised of statistical officials across executive agencies, including 11 heads of PSAs and the CSOTUS, who serves as chair.²¹

Data Collection in the U.S. Territories

In its report, the GAO found that the U.S. territories face many data gaps.²² This is primarily attributed to federal agencies not including the U.S. territories in many statistical products. When compared to the 50 states and Washington, D.C., the federal statistical system has less comprehensive coverage in the U.S. territories.²³

¹⁰ “About NCES,” National Center for Education Statistics, <https://nces.ed.gov/about/>.

¹¹ “National Center for Health Statistics: Overview,” National Center for Health Statistics, https://www.cdc.gov/nchs/about/factsheets/factsheet_overview.htm.

¹² “About NCSES,” National Center for Science and Engineering Statistics, <https://ncses.nsf.gov/about>.

¹³ “Office of Research, Evaluation, and Statistics,” Office of Research, Evaluation, and Statistics, <https://www.ssa.gov/policy/about/ORES.html>.

¹⁴ “SOI Tax Stats - Purpose and Function of Statistics of Income (SOI) Program,” Statistics of Income, <https://www.irs.gov/statistics/soi-tax-stats-purpose-and-function-of-statistics-of-income-soi-program>.

¹⁵ “About EIA,” U.S. Energy Information Administration, <https://www.eia.gov/about/>.

¹⁶ “Statistical Programs & Standards,” The White House, <https://www.whitehouse.gov/omb/information-regulatory-affairs/statistical-programs-standards/>.

¹⁷ “About.” StatsPolicy.gov, <https://www.statspolicy.gov/about/>.

¹⁸ *Id.*

¹⁹ The ICSP’s statutory authority can be found in Title 44, section 3504(e)(8) of the *U.S. Code*.

²⁰ “About.” StatsPolicy.gov, <https://www.statspolicy.gov/about/>.

²¹ Congressional Research Service Memorandum as requested by the House Committee on Natural Resources GOP Staff.

²² U.S. Government Accountability Office, *U.S. Territories: Coordinated Federal Approach Needed to Better Address Data Gaps*, GAO-24-106574 <https://www.gao.gov/assets/gao-24-106574.pdf> p. 4

²³ Congressional Research Service Memorandum as requested by the House Committee on Natural Resources GOP Staff.

If a statistical product includes the U.S. territories, it does not always include every territory. As seen in Table A below, there are inconsistencies even within an agency regarding which territories are included in its statistical products. The PSAs generally gather more comprehensive statistical data in Puerto Rico compared to the other U.S. territories.²⁴ However, the data gathered for Puerto Rico is still less comprehensive than the data collected for the U.S. states by the PSAs.

Table A: Federal Data Products in the U.S. Territories²⁵

Table I. Federal Data Products in the U.S. Territories

Principal Statistical Agency	Data Products with Coverage of At Least One Territory	American Samoa	CNMI	Guam	Puerto Rico	U.S. Virgin Islands
Census Bureau (Commerce Department)	American Community Survey	No	No	No	Yes	No
	Decennial Census	Yes	Yes	Yes	Yes	Yes
	Population Estimates	No	No	No	Yes	No
	Economic Census	Yes	Yes	Yes	Yes	Yes
	Business Formation Statistics	No	No	No	Yes	No
	County Business Patterns	Yes	Yes	Yes	Yes	Yes
Bureau of Labor Statistics (Labor Department)	Current Employment Statistics	No	No	No	Yes	No
	Occupational Employment and Wage Statistics	No	No	Yes	Yes	Yes
	Local Area Unemployment Statistics	No	No	No	Yes	No
	Injuries, Illnesses, and Fatalities	No	No	Yes	Yes	Yes
Bureau of Economic Analysis (Commerce Department)	Gross Domestic Product ^a	Yes	Yes	Yes	Yes	Yes
Bureau of Justice Statistics (Justice Department)	Prisoners (annual)	Yes	Yes	Yes	Yes	Yes
Bureau of Transportation Statistics (Transportation Department)	State Transportation Statistics (U.S. Airline Traffic by Airport)	Yes	Yes	Yes	Yes	Yes
Economic Research Service (Agriculture Department)	N/A					
National Agricultural Statistics Service (Agriculture Department)	Census of Agriculture	Yes	Yes	Yes	Yes	Yes
National Center for Education Statistics (Education Department)	Common Core of Data (public schools)	Yes	Yes	No	Yes	Yes
National Center for Health Statistics (Centers for Disease Control and Prevention)	Life Stages and Populations	No	Yes	Yes	Yes	Yes

²⁴ *Id.*

²⁵ *Id.*

Principal Statistical Agency	Data Products with Coverage of At Least One Territory	American Samoa	CNMI	Guam	Puerto Rico	U.S. Virgin Islands
National Center for Science and Engineering Statistics (National Science Foundation)	Survey of Science and Engineering Research Facilities	Yes	No	Yes	Yes	Yes
	Science and Engineering State Indicators	No	No	No	Yes	No
	Survey of Graduate Students and Postdoctorates in Science and Engineering	No	No	Yes	Yes	No
Office of Research, Evaluation, and Statistics (Social Security Administration)	Old-Age, Survivors, and Disability Insurance	Yes	Yes	Yes	Yes	Yes
	Social Security Disability Insurance	Yes	Yes	Yes	Yes	Yes
Statistics of Income (Internal Revenue Service)	N/A					
Energy Information Administration (Energy Department)	State Energy Data System	Yes	Yes	Yes	Yes	Yes

Sources: See **Appendix B**.

Notes: This is not a comprehensive list of all federal data products. This table shows federal data products CRS was able to identify that cover at least one U.S. territory. Data products in U.S. territories do not necessarily have the same standards or release schedule as those conducted in the 50 states or the District of Columbia.

- a. Funding for BEA's production of GDP estimates in the U.S. Virgin Islands, CMNI, Guam, and American Samoa are funded by the Office of Insular Affairs in the U.S. Department of the Interior.

Even when a statistical product includes the U.S. territories, there may be inconsistencies in reporting frequency.²⁶ For example, the Census Bureau did not release some of its originally planned data on American Samoa, Guam, and USVI from the 2020 Island Areas Census.²⁷ The Census Bureau indicated that it had to withhold the data due to incomplete data collection due to the COVID-19 pandemic.

When data is available for the U.S. territories, reporting for these products may be less current than for the rest of the U.S.²⁸ There have been instances where a statistical product would report quarterly for the states but only annually for the U.S. territories. In one such instance, agency officials explained that they had to defer data releases until enough data were available from either territorial governments or other federal statistical products to permit estimation.²⁹

Furthermore, statistical agencies “do not always have the same mechanisms for measuring data quality that the agencies have for products covering the rest of the U.S.”³⁰ The Census Bureau, for example, does not independently assess the accuracy of decennial data for the Island Areas

²⁶ *Id.*

²⁷ U.S. Government Accountability Office, *U.S. Territories: Coordinated Federal Approach Needed to Better Address Data Gaps*, GAO-24-106574 <https://www.gao.gov/assets/gao-24-106574.pdf>, p. 5

²⁸ *Id.* p. 5

²⁹ *Id.* p. 5

³⁰ *Id.* p. 5

Censuses as it does for the decennial census in the U.S. states. As such, territorial data could be less accurate or reliable in those products than state data.

Factors Contributing to the Data Gap

Several factors contribute to the data gaps in the U.S. territories. First, the statutes governing and funding the PSAs may differ or be ambiguous about the data collection requirements in the territories.³¹ An agency may be required by law to include some U.S. territories in their statistical products, but may not include others.

Additionally, the small populations in the U.S. territories have led to statistical challenges as smaller populations require a greater sample size to achieve the same margin of error as states with significantly larger populations.³² While this may not preclude sampling in the U.S. territories, it raises the associated costs for federal data collection.

The cost issue is particularly prevalent for statistical products that require large sample sizes, such as the Census Bureau's full census surveys.³³ The high cost is the primary barrier to including several U.S. territories in products such as the American Community Survey (ACS), which is widely used in federal formula grant programs. In 2018, the Census Bureau estimated that extending data collection and production for the annual ACS to American Samoa, Guam, USVI, and the CNMI would cost \$52 million annually.³⁴

The geographic location of the U.S. territories presents a major challenge for federal statistical agencies. This is particularly true for the Pacific territories due to their distance from Washington, D.C., and less frequent commercial flight options. As a result, the location "can make it difficult for dependable and timely in-person data collection if agencies do not have staff permanently assigned to the territories."³⁵

Technical factors such as non-standardized address formats in the U.S. territories, language barriers, and the use of paper surveys also present challenges to federal data collection. Furthermore, there may be limitations in source data within the U.S. territories. These limitations include the lack of a robust and up-to-date address list and a lack of programs providing data that a statistical product may need.

How The U.S. Territories Are Affected By Data Gaps

Data gaps present major challenges to territorial and federal government operations. According to the GAO, several U.S. territories cited not being included in the Census Bureau's ACS as being significant. While the report did not specify why the U.S. territories thought this was significant, the reason may likely be due to the potential impacts on access to federal programs. The lack of data or exclusion from statistical programs can prevent eligibility for federal programs. American Samoa officials argue that the Department of Agriculture's Census of

³¹ *Id.* p. 5

³² *Id.* p. 5

³³ *Id.* p. 5

³⁴ *Id.* p. 11

³⁵ *Id.* p. 6

Agriculture does not fully capture subsistence farming due to underlying issues with the address list the census relies on.³⁶ As a result, they are concerned that farmers in American Samoa may not be eligible for certain farm support programs.

The lack of federal data can prevent territorial governments from carrying out local policies and programs or force territorial officials to rely on outdated data.³⁷ This limits the territorial governments' ability to address the needs of local communities. According to the GAO, the Department of the Interior (DOI) officials stated that instead "of being comprehensively included in federal import and export statistics, the U.S. territories are left to collect their own customs data, despite having limited capacity to do so."³⁸

The gaps in data collection have also created challenges to implementing the Compact of Free Association (COFA) agreements with the three Freely Associated State (FAS) nations: the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia. These agreements allow FAS citizens to migrate to the U.S. as non-permanent residents. The 2003 COFA agreements, which were in effect from FY 2004 through FY 2023, included provisions to provide Compact Impact grant funds to the Pacific territories based on the estimated total of FAS migrants in a Pacific territory. According to a 2020 GAO study on COFA implementation, the Census Bureau discovered an error in the 2013 and 2018 estimates of FAS migrants in the U.S.³⁹ This led to an overallocation of Compact Impact funds to Guam, CNMI, and American Samoa.⁴⁰

GAO's Recommendation for Executive Action

The GAO recommends that the Director of the OMB should:

*Ensure that the Chief Statistician develops a coordinated, government-wide approach for federal statistical agencies to use, in consultation with the U.S. territories and other stakeholders, to examine the costs, benefits, and feasibility of including territories in statistical products and, as appropriate, identify ways to address any data gaps.*⁴¹

The GAO notes that the OMB provided technical comments to the report that the GAO incorporated as appropriate but neither agreed nor disagreed with the recommendation.

The House Committee on Natural Resources does not have jurisdiction over the OMB; however, the GAO's report and recommendation serve as important guidance for improving federal data collection in the U.S. territories. Accurate data is critical for effective and coordinated federal policy. The U.S. territories face multiple challenges to sustained economic growth and are highly prone to severe weather incidents, making U.S. federal assistance an important part of their

³⁶ *Id.* p. 8

³⁷ *Id.* p. 8

³⁸ *Id.* p. 8

³⁹ GAO, "COMPACTS OF FREE ASSOCIATION Populations in U.S. Areas Have Grown, with Varying Reported Effects", GAO-20-491, June 15th 2020 p. 27. <https://www.gao.gov/assets/gao-20-491.pdf>.

⁴⁰ *Id.* p. 28

⁴¹ U.S. Government Accountability Office, *U.S. Territories: Coordinated Federal Approach Needed to Better Address Data Gaps*, GAO-24-106574 <https://www.gao.gov/assets/gao-24-106574.pdf>.

economies.

While costs may be associated with improving data collection in the U.S. territories, accurate data will promote fiscal responsibility by ensuring federal funds are appropriately allocated based on accurate statistics. Improved data will improve processes for allocating federal resources and implementing federal programs. The administration and Congress should work together to address the gaps in federal data for the U.S. territories.