

# **Modernizing the Federal Statistical System: A Roadmap<sup>1</sup> for Action**

## *A Policy Brief for Congressional Offices and Administration Leadership*

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ASA Committee on Modernization of the Federal Statistical System | April 2026

### **Executive Summary**

Imagine the benefits of weekly or on-demand, hyperlocal, demographic-, occupation- or industry-specific, trusted measures of social well-being and economic activity. These are possible. We find ourselves at a key juncture point in the history of this country's statistical infrastructure. Without extensive and immediate modernization, we will lose much of the quality statistical information that everyone relies upon to run businesses, make laws, allocate philanthropic dollars, and conduct many of the affairs of ordinary life. This document responds to this crisis. We propose a detailed plan for saving our statistical system from further decay and for achieving the transformation needed to assure its flourishing future.

Reliable federal statistics are essential national infrastructure. They guide economic policy, inform federal and state funding decisions, and provide the public and markets with trusted information about the nation's economy and society. Yet the system that produces these statistics—the Federal Statistical System (FSS)—is increasingly strained by declining survey response rates, fragmented data systems, outdated IT infrastructure, rising personnel costs, and barriers to responsible data sharing. As other countries ramp up their data capabilities, the US needs to continue to be a leader in producing the critical statistical information needed to keep our economy and people healthy and secure.

A modernization roadmap developed by the American Statistical Association outlines practical steps that will strengthen the FSS so it can produce more timely, accurate, and relevant data while maintaining strong privacy protections. The roadmap recommends a staged approach to modernization that focuses first on jump-starting more innovation and improving existing statistics through more privacy-protected data sharing and cooperation among statistical agencies, followed by building a more adaptive statistical system that can respond rapidly to emerging policy needs.

Modernization requires joint and coordinated action by both the Administration and Congress. This brief summarizes the need for modernization and highlights concrete policy actions that can be taken immediately to ensure that federal statistics remain trustworthy, efficient, affordable, and relevant in the 21st century.

### **Why Federal Statistics Matter**

Federal statistics underpin critical policy decisions and economic activity across the United States. In addition to determining congressional apportionment, they inform federal budgeting, guide monetary and fiscal policy, and determine the allocation of hundreds of billions of dollars in federal funding to states and localities. Businesses, financial markets, researchers, and policymakers rely on these statistics to make important decisions and understand trends in employment, prices, health, education, and income.

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<sup>1</sup> This precis corresponds to *A Roadmap to Modernizing the Federal Statistical System* (April 2026), prepared by the ASA Committee on Modernization of the Federal Statistical System (forthcoming on the ASA website).

The constitutional requirement to conduct the decennial census underscores the long-standing national importance of statistical information. Today, the federal statistical system includes more than a dozen principal statistical agencies and numerous programs that together provide the “gold standard” data used across governments and the private sector.

The system producing these statistics has evolved incrementally over decades and remains highly decentralized. While this structure allows agencies to maintain subject-matter expertise, it also imposes barriers to collaboration, shared infrastructure, and efficient data use. These limitations increasingly hinder the ability of statistical agencies to meet growing demands for timely and detailed data.

## Emerging Challenges

Several trends are placing pressure on the federal statistical system.

- First, survey response rates from households and businesses have been declining for decades, raising costs and reducing data quality. These steady and significant declines undermine the quality of statistics based on surveys, like the Current Population Survey from which we get our unemployment rates and other labor force data. At the same time, vast new sources of digital data—from administrative records to private-sector transactions—offer opportunities to improve statistical measurement but remain difficult for agencies to access and integrate.
- Second, statistical agencies operate with widely varying resources and outdated IT systems, making it difficult to adopt modern data tools or share services efficiently across agencies. Legal and administrative barriers further complicate efforts to link data from different sources even when doing so would improve statistical accuracy and reduce respondent burden.
- Finally, maintaining public trust is increasingly challenged by an environment of heightened privacy concerns and widespread, erroneous information and, at times, disinformation.. Statistical agencies must demonstrate that they can responsibly use new data sources while preserving strong confidentiality protections. Likewise, policymakers must carefully defend the legal distinction between data collected for statistical purposes (whose confidentiality is protected) and data collected from administrative and public sources and used to enforce the nation’s laws. Blurring this distinction undermines public trust in the statistical system.

Without modernization, the federal statistical system risks falling behind in its ability to provide the reliable information needed for policymaking and economic decision-making. A statistical system in such a decline is a threat to economic and social improvement.

## The Modernization Vision

The modernization roadmap. presents a structured, actionable strategy to move the FSS from its current partially aligned state to a system that is **interoperable, functionally unified, and ultimately adaptive.**

- The first stage focuses on **secure interoperability**, in which statistical agencies’ data systems and products become compatible enough to support secure data sharing, standardized documentation, consistently designed privacy protections, and shared operational services such as IT infrastructure.

- The second stage aims for a **more unified system**, where agencies coordinate planning, budgeting, and investments across the statistical system while maintaining their subject-matter expertise.
- The final stage envisions an **adaptive statistical system** capable of rapidly integrating new data sources, adopting new methods, and addressing new issues while maintaining strong privacy protections and public trust.

Achieving this vision may not require reorganizing agencies. The goal is not reorganization, but to enable agencies to function as a **cohesive, high-performing system** while maintaining subject matter expertise and public trust..

### **Immediate Actions for the Administration**

The Administration can begin modernization through several early steps.

- First, it should formally launch a federal statistical modernization initiative and establish a high-level implementation task force responsible for coordinating modernization activities across agencies (Recommendation 1). This initiative should prioritize improving interoperability and expanding the use of modern data tools.
- Second, the Administration should strengthen partnerships with academia and the private sector to support research and development in new data methods, including artificial intelligence and privacy-enhancing technologies (Recommendations 3–4). These partnerships can accelerate the development of higher-frequency economic indicators and more efficient data collection methods.
- Third, federal statistical agencies should make their most important datasets easier to discover and use by adopting consistent documentation practices and assigning digital object identifiers to major data products (Recommendation 5). Agencies should also prepare high-value datasets to support advanced analytics and AI applications (Recommendation 6).

Finally, the Administration should complete long-delayed regulatory actions required by the Foundations for Evidence-Based Policymaking Act to enable secure data sharing across federal agencies for statistical purposes (Recommendation 12). Removing these barriers will allow statistical agencies to integrate multiple data sources while maintaining strong confidentiality protections.

### **Key Congressional Actions**

Congress plays a critical role in enabling modernization.

- First, congressional committees should hold oversight hearings to monitor progress and ensure that modernization efforts remain on track. Congress should also direct the Government Accountability Office (GAO) to conduct ongoing evaluations of modernization initiatives (Recommendation 2).
- Second, Congress should strengthen legal protections for private data collected only for confidential and statistical use by extending penalties for misuse or unauthorized disclosure beyond statistical agencies to all federal personnel and contractors who handle such data (Recommendation 14). Strong protections are essential for maintaining public trust.

- Third, Congress should provide statistical agencies with greater budget flexibility, including multi-year funding authority, to support long-term modernization projects and infrastructure investments (Recommendation 25). Current annual funding structures make it difficult for agencies to implement complex multi-year technology upgrades.
- Finally, Congress should establish and fund a Federal Statistical System Innovation Fund to support cross-agency projects that improve statistical methods, data integration, and data dissemination (Recommendation 28). Such a fund would accelerate modernization efforts while encouraging collaboration across agencies.

### Early Wins That Demonstrate Value

Many modernization actions can produce visible benefits quickly.

For example, developing a shared business address list across statistical agencies could reduce duplicative surveys and improve the accuracy of economic statistics. Similarly, integrating administrative records into existing surveys can produce more accurate measures of income and poverty while reducing reporting burden on households.

During the COVID-19 pandemic, statistical agencies demonstrated the value of collaboration by rapidly producing new indicators such as the Household Pulse Survey and Small Business Pulse Survey. Modernization would make this kind of high frequency, rapid response capability a routine feature of the federal statistical system.

### Position on Consolidation

The roadmap **does not recommend administrative consolidation as an initial step**. Instead, it prioritizes achieving interoperability and functional integration within the existing decentralized structure. This approach reflects both historical experience and stakeholder input, which indicate that premature consolidation carries significant risks—including disruption, loss of subject-matter connections, and potential erosion of trust.

However, consolidation is **not excluded as a future option**. If progress toward an adaptive, high-performing system proves insufficient—particularly due to persistent legal, regulatory, or appropriations barriers—then **administrative consolidation may be necessary and beneficial**. In that context, consolidation would follow, not precede, alignment of vision, standards, and interoperable systems, and would serve as a means to overcome barriers that cannot otherwise be resolved.

### Conclusion

The federal statistical system remains one of the nation’s most valuable public assets. Yet maintaining its relevance and credibility requires modernization that reflects today’s data environment.

The roadmap provides a practical path forward. By improving interoperability, strengthening governance, and investing in modern infrastructure, the United States can ensure that its statistical system continues to deliver high-quality data for policymakers, businesses, and the public.

Progress will depend on sustained leadership from both the Administration and Congress. With coordinated action now, the federal statistical system can evolve into an ever more efficient, innovative, affordable, and trusted source of information for the nation.