

FSS Modernization Project

Meeting 1 (June 24, 2025) Summary¹

July 22, 2025

Purpose

The ASA steering group on Federal Statistical System (FSS) Modernization held a meeting with nonfederal thought leaders² on 6/24/25 to discuss potential FSS structural changes in the current policy climate. The objective of this meeting was to assess the advisability and policy appetite for various structural changes to address both long-standing and more recent challenges to the FSS.

The following summary reflects the first step in a collaborative effort to evaluate, and potentially steer toward, structural changes that could support statistical agency modernization, independence, efficiency, and adaptability. Two more meetings with complementary objectives are anticipated.

Method

A background document³ describing challenges facing the FSS and five exemplar structural options was shared in advance. The meeting was governed by Chatham House rules and grounded in long-established principles guiding federal statistical agencies.

During the meeting, participants met in small groups to discuss advantages and disadvantages—and potential variants—of structural options to address system-wide challenges. After plenary group discussion, participants completed a ranking exercise of structural options. Returning to small groups, participants identified emerging themes and next steps to frame an anticipated second meeting.

Findings

Participants recognized that restructuring (in some form) is already underway, with immediate impact on data production, accuracy, and timeliness that is differentially experienced across the system. Identifying structural forms that would optimally support public value and modernization could assist in preparing and planning these transitions.

¹ Adobe AI generated a summary of meeting output materials, which were subsequently edited by members of the FSS Modernization steering group for accuracy and suitability for a general audience.

² A list of meeting participants can be found [here](#).

³ The Meeting 1 background document can be found at [pol-june24_fss.pdf](#).

Reflections and ranking

Concerns were raised about risks in further restructuring in the current policy climate, the future state of federal IT infrastructure, data sharing, privacy protection, and the independence of statistical systems. Questions about legislative support, resource allocation, and the impact of Supreme Court decisions were also noted.

Taking these concerns into account, small groups of participants discussed the relative merits of five structural options. After plenary discussion, participants ranked their preferences. See Figure 1. Results were bimodal, with strongest preference for Option 2 (which advances legislation to address data sharing and other longstanding barriers plus consolidates functions with similar missions and leverages existing collaboration among BEA, BLS, and Census) and, to a lesser extent, Option 5 (with the same legislative portfolio plus full consolidation of agencies across the system with Chief Statistician and Deputy Chief Statisticians). Option 1 (the legislative proposals with no organizational restructuring) had less support. The least preferred options were 3 and 4, which feature moderate consolidation with Deputy Chief Statisticians added to the system to provide sector-specific leadership.

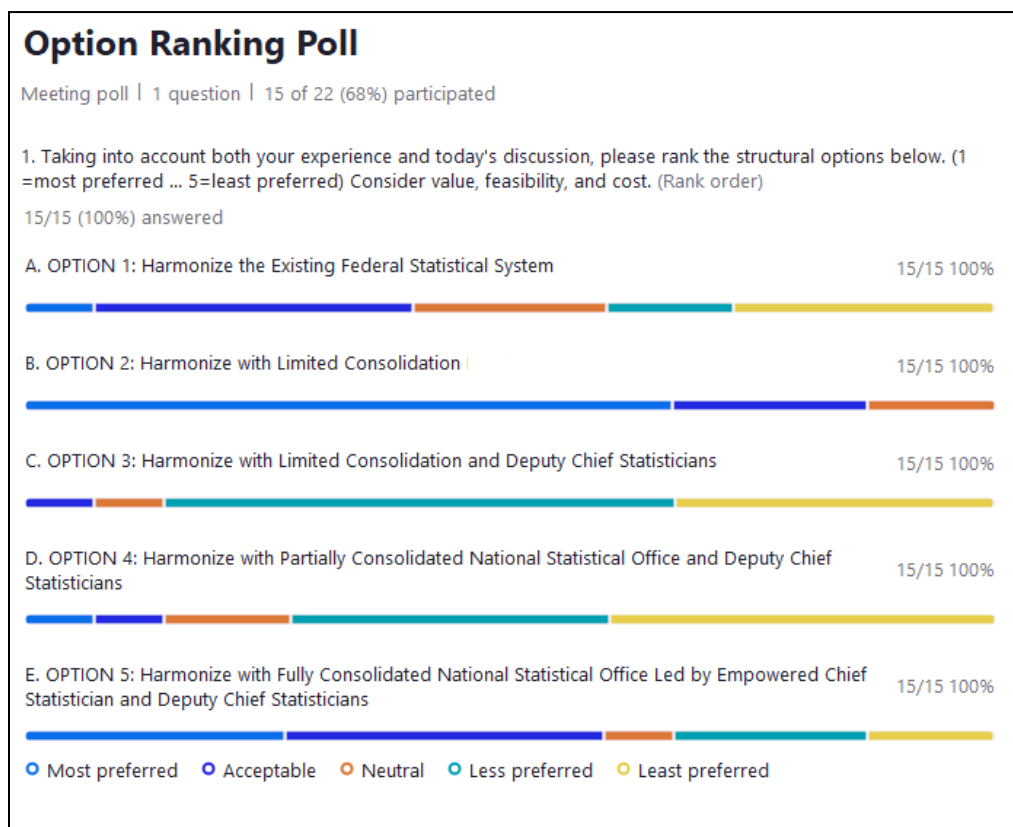


Figure 1. Meeting 1 Federal Statistical System Structural Options Ranking Poll, June 24, 2025

Many participants expressed surprise at the high ranking of Option 2 because this option does not address challenges experienced by agencies other than BEA, BLS and Census. Some saw it as a feasible steppingstone that could advance a more comprehensive solution in the future. Others feared that Option 2 might miss the moment when a major change was possible. Consequently, interest was expressed in understanding if Option 5's lower rank more reflected doubts about its feasibility in the current environment rather than considering full consolidation an inferior outcome.

Alternatives

Participants were prompted to consider variations of the five structural options for consolidating federal statistical agencies. They were also asked if particular pros/cons should carry greater weight in evaluating these options. Suggestions included moving the Chief Statistician out of OMB to a quasi-independent agency or the legislative branch; broadening Option 2 to include EIA and NASS to consolidate agencies with principal federal economic indicators; integrating statistical programs with similar subject matter; making more explicit the role of the National Secure Data Service in supporting shared services; and adding legislative requirements for greater private sector involvement in data provision and/or multi-year funding of innovation.

Potential barriers

Participants were asked to identify potential barriers to structural change. Several were noted. Agencies may resist changes due to territorial concerns, budget control, and existing relationships with data providers and users. Consolidation may disrupt current oversight structures and lead to budgetary and efficiency concerns. There may not be enough legislative or administrative champions. Out-dated IT systems may not support the proposed environment. Structural changes also require significant upfront investment; appropriators may expect immediate cost savings, which are unlikely.

Participants emphasized that any future restructuring should address systemic issues affecting the quality and value of official statistics. Structural change should ensure that domain expertise guides decision-making, data sharing is seamless, multi-year investments are possible, and linkages are clear between data users and agencies. Participants also debated whether restructuring (alone or in part) would strengthen independence and innovation, highlighting the need for legislation to authorize statistical agencies, protect independence, and ensure transparency in publications and releases.

Elements of success

To address these challenges, it will be necessary to communicate a clear value proposition and demonstrate benefits other than immediate cost saving to gain support

for structural change from stakeholders. The value proposition will be different for different stakeholders: data users, data providers, and appropriators.

Elements of successful structural change should focus on achievable changes aligned with current and future needs of users and stakeholders. Technical changes should incorporate innovations (such as AI and geospatial data) while ensuring privacy and confidentiality and appropriate compatibility with international statistical frameworks. Policy changes should factor in broader government consolidations and governance changes to create a flexible and innovative statistical system.

Conclusions

Overall, to enable modernization, participants expressed strong appetite for structural consolidation of BEA, BLS, and Census, with some hesitancy to embrace full consolidation of the system. Strengthening shared services and leadership from the Chief Statistician, plus developing shared models for private data acquisition were seen as viable, complementary steps short of full consolidation.

Implementing successful structural change should address leadership, agency collaboration, and legislative requirements for consolidation. It will require enhancing existing partnerships and actively seeking new ones. Clear messaging of the value proposition and demonstrated benefit to stakeholders will also be essential.