# **FSS Modernization Project**

Meeting 3 (October 21, 2025) Summary<sup>1</sup> November 5, 2025

#### **BACKGROUND**

The overall objective of the Federal Statistical System (FSS) Modernization Project is to develop and communicate actionable recommendations for modernizing and strengthening the federal statistical system in the current policy environment. A modern and stronger FSS is needed to better inform US decisionmaking. The FSS Modernization Project is hosted by the American Statistical Association. The project intends to host four meetings with thought leaders between June and January 2026 to inform strategic communication with decision makers.

Three meetings have been held to date. The first meeting was held on 6/24/25. Its objective was to assess the advisability and policy appetite among former leaders and other experts in the FSS for various structural changes to address both long-standing and more recent challenges to the FSS. Accordingly, meeting invitations were sent to thought leaders with particular experience and insight into the structure of the federal statistical system and its related policy history, challenges, and opportunities.<sup>2</sup>

A second meeting with nonfederal thought leaders was held on 8/19/25. The objective of the second meeting was to identify data user needs and their relationship to a modern, user-driven FSS in light of the current policy environment. Participants at this meeting were asked to name changing needs, emerging innovations, and the features of the federal statistical system (including the broader national statistical infrastructure) that would provide best value in meeting this demand.

A third meeting with nonfederal thought leaders was held on 10/21/25.3 The objective of the third meeting was twofold. First, the initial recommendations of our emerging strategy were introduced and discussed. Taking this into account, participants discussed the best ways to engage with decision makers within the Administration and Congress, media, and other important audiences to establish support for and enact project recommendations. The output from the discussion will inform the engagement approach for both immediate and longer term goals in a forthcoming strategy document.

The following summary captures feedback from this component of a collaborative effort to evaluate, and potentially steer toward, structural and other policy changes that could support statistical agency modernization, independence, efficiency, and adaptability. One additional meeting with complementary objectives is anticipated.

<sup>&</sup>lt;sup>1</sup> Adobe AI and ChatGPT5 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.

<sup>&</sup>lt;sup>2</sup> A list of meeting participants and a summary of the meeting outcome can be found on the ASA website <u>here</u>.

<sup>&</sup>lt;sup>3</sup> Federal thought leaders were also invited, but were unable to participate due to the federal shutdown. Our special thanks for the participation of representatives from other projects engaged in federal statistical system modernization: BPC, CODE-USAFacts, CSIS, DPQ, NBER, RESET, and Sloan.

#### **METHOD**

The objective and therefore participant list for the third meeting was distinct from the second meeting. Accordingly, the meeting invitations were extended to private-sector, public-sector, and academic statistical data user representatives who were familiar with the federal statistical system and closely engaged in strategic discussions of current federal statistical system modernization efforts. In advance of the meeting, participants were sent a detailed agenda to frame the meeting's discussion. However, given production schedules, it was not possible to distribute the project's initial recommendations to participants in advance of the meeting. The meeting was governed by Chatham House rules. A combination of plenary presentations and breakout groups were used to facilitate participant discussion.

#### MATERIAL FOR DISCUSSION

Initial recommendations from the FSS Modernization Project were introduced in the context of a FSS modernization vision and organized across four initial strategies.

# Vision

These initial recommendations reflect the vision articulated and refined through prior project meetings. See Table 1.

#### Table 1. Vision for a Modern FSS

The future federal statistical system delivers more easily accessible, timely, objective and credible statistics that inform critical decisions in both the private and public sectors.

It does this by operating more seamlessly, integrating diverse data sources responsibly, protecting privacy and confidentiality, operating transparently and in a nonpartisan manner, partnering with public and private entities, prioritizing burden reduction and efficiency, and innovating continuously.

# **Initial Strategies and Recommendations**

Acknowledging that there are many steps needed to achieve this vision, an initial set of recommendations were organized across identified four short run strategies to promote immediately, building on the consolidation plans and the goals laid out by the Administration. This formed the basis for both subsequent breakout discussions. See Table 2.

Table 2. Initial Recommendations Presented at Meeting 3					
Action	30 Days	100 Days	FY27 Budget		
A. Enable extensive use of <u>Al-supported</u> collection and analytical processes	•				

<sup>&</sup>lt;sup>4</sup> A list of meeting participants can be found on the ASA website here.

Table 2. Initial Recommendations Presented at Meeting 3							
Acti	on	30 Days	100 Days	FY27 Budget			
1.	Direct NAIRR to contribute its resources to partner with NSDS and ICSP and together launch at least two more projects to implement "live feed" data acquisition or other projects to create higher frequency data. (Also, High Frequency.*)	Х					
2.	Direct the NSDS to report regularly to ICSP and CSOTUS on existing and new projects designed to increase FSS use of Al.	X					
B.	Enable a substantial increase in <u>higher frequency</u> statistics (e.g., daily and	weekly	)				
3.	Direct ICSP to develop a list of the ten top companies with which to expand "live feed" data acquisition for economic surveys—and provide a strategy to gain company cooperation.	Х					
4.	Direct OMB GC and OIRA to create a working group of agency GCs to support any regulatory reviews needed to implement the private sector "live feed" pilots, including specific timetables for review completion. (Also, Data-sharing.*)	X					
C.	Enable a well-functioning <u>data-sharing</u> infrastructure						
5.	Direct OIRA/SSP, in consultation with ICSP, to provide a list of high-priority state data sets.	Х					
6.	Direct OIRA to incorporate into its agency regulatory reviews the addition of FSS access to federally funded state programs, and to identify and report any legal barriers.	Х					
7.	Direct agencies identified as overseeing high priority data sets to develop regulatory and statutory changes to allow FSS access, agree on a common data sharing agreement template, and submit those within a specified timeframe.		X				
8.	Direct OIRA to issue NPRMs for two legally required CIPSEA data-sharing regulations, including a common data sharing agreement template. (Also, Sustainable Progress.*)		X				
D.	Enable <u>sustainable progress</u> on each area above						
9.	Direct ICSP to present to you a proposal for transparently managing a new FSS Innovation Fund.	Х					
10.	Establish a Statistical System CIO with full authority under key federal IT laws, overseeing a shared IT service.		Х				
11.	Establish line-item funding for each statistical agency.			Х			
12.	Provide multi-year funding flexibility for statistical agencies.			Х			
13.	Create an FSS Innovation Fund.			Х			
14.	Create an FSS IT shared service.			Х			

<sup>\*</sup>Recommendation applies to more than one category.

Acronyms - Al: Artificial intelligence; BLS: Bureau of Labor Statistics; CIO: Chief Information Officer; CSOTUS: Chief Statistician of the United States; FSS: Federal statistical system; ICSP: Interagency Council on Statistical Policy; IT: Information technology; NAIRR: National Artificial Intelligence Research Resource; NPRM: Notice of Proposed Rulemaking; NSDS: National Secure Data Service; OGC: Office of General Counsel; OIRA: Office of Information and Regulatory Affairs (OMB); OMB: Office of Management and Budget; and SSP: Office of Statistical and Science Policy in OIRA (OMB).

#### **DISCUSSION QUESTIONS**

Participants were assigned breakout groups, organized by the four strategies described in Table 2. In breakout session 1, participants were asked to reflect on the initial recommendations. In breakout session 2, participants were asked to advise on strategic engagement needed to enact these recommendations—in the short and also longer term. They were also asked how structural changes (such as consolidation) could lift or hinder these strategies.

#### **FINDINGS**

### Strategy A: Leverage AI

Participants supported using AI to modernize the Federal Statistical System, emphasizing it should **enhance—not replace—human expertise**. They endorsed AI for data integration and cleaning but urged **strong oversight**, **transparency**, **and human review**. Participants cautioned that collaboration across agencies, academia, and industry is essential, and that sustained progress depends on **data quality**, **privacy protection**, **workforce training**, **and evaluation**. Messaging should frame AI as an **assistive tool**, highlight safeguards, and engage diverse stakeholders. Participants felt consolidation could improve efficiency but risks harming **trust and morale** if seen as centralization or staff reduction.

#### Strategy B: Enabling Higher Frequency Statistics

Participants endorsed recommendations for enabling higher frequency statistics to improve timeliness and relevance of federal statistics but stressed the need for clear governance, trust, and sustainability. They urged expanding the scope of the recommendations beyond economic data, establishing transparent partnerships, and ensuring privacy and equity. Collaboration among agencies, NAIRR, NSDS, and industry should be clearly defined, with realistic timelines. Sustaining progress requires Al-driven analytics, diversified data sources, and public stewardship. Messaging should emphasize transparency, fiscal efficiency, and societal value. Structural consolidation may improve coordination but risks undermine trust and independence; multiple participants favored collaboration and shared standards instead.

# Strategy C: Enable data-sharing infrastructure

Participants strongly supported developing a **robust**, **trusted data-sharing infrastructure** to improve efficiency, collaboration, and public value. They urged prioritizing **federal interagency sharing** before expanding to states, focusing on **high-value**, **demonstrable use cases**. Success depends on **trust**, **transparency**, **modernization**, **and sustainable funding**. Early wins should show measurable benefits to sustain engagement. Messaging should highlight **efficiency**, **cost savings**, **and privacy safeguards** to the Administration, Congress, and states. While consolidation could streamline coordination, it risks **privacy concerns and political resistance**; participants favored phased implementation and partnerships using **state innovation models**.

# Strategy D: Enable sustainable progress

Participants supported Strategy D's focus on sustained modernization through multi-year funding, IT shared services, and innovation funds, but urged stronger transparency, equity, and feasibility. They favored oversight of the Innovation Fund by the Chief Statistician, pilot testing for IT services, and collaboration among CIOs, CDOs, and OMB. Sustained progress depends on modernized systems, privacy-preserving technologies, and public trust. Messaging should link to Evidence Act and Al priorities, emphasizing efficiency and societal benefit. Participants felt consolidation could improve coordination but risks eroding trust and independence if not carefully governed.

#### POST-MEETING FEEDBACK

The Steering Group requested feedback from participants through a meeting survey. Participants were also welcomed to submit additional input by email. A summary of this feedback appears below. The points made are appreciated, and will be taken into account as the organizers prepare for the next meeting.

From the feedback received, participants indicated that the conference was well organized. However, some participants would have preferred to receive the meeting materials (such as the initial recommendations) in advance. One participant was concerned that not enough time had been given to allow participants to provide more feedback on the initial recommendations, or to supply additional or alternative recommendations. Without this discussion time, it seemed to the participant that the organizers were not seeking input but only affirmation. (It was not clear to this participant that a fuller set of recommendations were under development.)

Some participants were concerned that current distrust in the government was not well taken into account in the initial recommendations. Given this distrust, federal statistical product quality may diminish as it reflects a shrinking—and potentially non-respresentative—share of the US population. These participants cautioned that restoring trust in the government and federal statistics will require significant work and time. Recommendations regarding modernization of the federal statistical system should acknowledge and address concerns regarding privacy (that is, data collected) and confidentiality (that is, how the data are used). One participant urged a deeper understanding of the Privacy Act of 1974 (and its guards against combining data), suggesting that historians of federal statistics could provide important insights at the next meeting.

Another participant expressed enthusiasm for the project and its progress, but was concerned that the organizers may not be aware of prior attempts with similar goals. Describing and evaluating prior attempts should be reflected in the project's work. (A description and evaluation of these prior attempts was included in the background document to Meeting 1 and is available on the ASA website.)