

Comment on Statistical Policy Directive No. 3: Compilation, Release, and Evaluation of Principal Federal Economic Indicators—Proposal to Change Timing of Public Comments by Employees of the Executive Branch

October 13, 2023

The American Statistical Association (ASA) is pleased to respond to OMB's request for comments on <u>Statistical Policy Directive No. 3: Compilation, Release, and Evaluation of Principal Federal Economic Indicators-Proposal To Change Timing of Public Comments by Employees of the Executive Branch</u>, as invited in the *Federal Register* of August 25, 2023 (88 FR 58316).

The request specifically seeks comment "about the proposal to change the delay from one hour to thirty minutes, including whether such a change could still meet the goals of Directive No. 3 to ensure equitable, policy-neutral, and timely release and dissemination of PFEIs" and "whether to maintain the one-hour delay."

Reiterating our <u>2019 position</u>, the ASA strongly recommends that the time during which employees of the Executive Branch are prohibited from commenting publicly about the release of Principal Federal Economic Indicators (PFEIs) be maintained as at least one hour following the statistical release.

OMB's opening statement of the preamble for its recently proposed <u>Trust Regulation</u> reads as follows, "Public trust in Federal statistics is essential to their value and use in informing decisions across public and private sectors." In order to fulfill its goal to "promote public trust in the statistical agencies and units that produce Federal statistics", OMB has gone to great efforts to ensure that proposed regulation is thorough and detailed.

We concur that the importance of trust in a Federal statistical agency is paramount and believe that reducing the delay for comment from one hour would undermine OMB's extensive work to build and maintain trust in a statistical agency.

To sustain integrity and trust in the Federal statistical system, it is of utmost importance to preserve a bright line between the release of data and policy comment on those data. It must

always be clear that statistical agencies are the source of the information, not the policy officials. Any confusion about the source of the information can fuel distrust of the objectivity of statistical agencies. The desired distinction is best accomplished by keeping the one-hour time period, regardless of advances in information dissemination technology. In fact, today's speed for disseminating information makes it all the more important to maintain the one-hour embargo in order not to blur the distinction—in the financial markets and more broadly—between the data themselves and policy comment on the data.

Moreover, reduction of the one-hour delay introduces other risks for the Executive Branch. For example, such a reduction is likely to result in much broader pre-release dissemination of PFEIs within the Executive Branch, which will increase the risk of premature external release of PFEI data. This can have major effects on financial and commodity markets that have geared their transactions for the normal release time. In addition, such a change reduces the amount of time the Administration has to formulate a coordinated response that can be communicated to relevant policy officials likely to be contacted by the media. Policy officials who comment to the media or issue press releases on statistical data concurrent (or nearly so) with their release create at best an ambiguity between the statistical release and the policy interpretation of the data. Finally, we note that if faith in the integrity of the Federal statistical system is harmed, those who provide their information—e.g., survey respondents—to Federal agencies would be less responsive to information requests from those same agencies, thereby decreasing the quality and increasing the cost of producing Federal statistics.

In sum, the ASA strongly recommends that the time during which employees of the Executive Branch are prohibited from commenting publicly about the release of PFEIs be maintained as at least one hour following the statistical release.

Thank you for your consideration.

Questions on this document can be directed to the ASA Director of Science Policy Steve Pierson, pierson@amstat.org.