

# Origins and Overview of the Federal Statistical System

The United States developed its statistical system agency by agency, as policy concerns about population, trade, agriculture, education, crime, health, and other domains rose to the federal level. These concerns birthed new cabinet departments (see Box B-1), with statistical agencies and programs in each and ultimately led to a highly decentralized system, in contrast to most other countries around the world. The federal statistical system today consists of 13 principal statistical agencies, 3 recognized statistical units, and over 100 programs with statistical content with annual appropriations of \$500,000 or more. It is coordinated by the chief statistician in the U.S. Office of Management and Budget (OMB) with help from the Interagency Council on Statistical Policy (ICSP). The ICSP has 30 members—the chief statistician who serves as chair, the heads of the principal statistical agencies and recognized statistical units, and the statistical officials (authorized by the Foundations for Evidence-Based Policymaking Act of 2018) in departments and independent agencies lacking a principal statistical agency.<sup>1</sup>

Additional information on the current configuration of the system and references follow a brief review of the origins of the federal statistical system in approximately chronological order. See Box B-2 for references for further reading.

## Box B-1:

### Dates of Creation of Cabinet Departments and Independent Agencies with Principal Statistical Agencies Currently or Historically

<b>1789</b> Department of State; Department of the Treasury	<b>1935</b> Social Security Board; became part of FSA in 1939 (renamed as SSA in 1946), then part of DHEW in 1953 and the Department of Health and Human Services (DHHS) in 1980; became independent agency in 1995
<b>1849</b> Department of Interior	<b>1950</b> National Science Foundation
<b>1862</b> Department of Agriculture	<b>1953</b> DHEW, which became DHHS in 1980
<b>1867</b> Department of Education; abolished 1869 except for Office of Education (statistics), which became part of the Department of Interior, then part of the newly established Federal Security Agency (FSA) in 1939, then part of the Department of Health, Education, and Welfare (DHEW) in 1953; the Department of Education was reestablished in 1979	<b>1966</b> Department of Transportation
<b>1870</b> Department of Justice	<b>1977</b> Department of Energy
<b>1903</b> Department of Commerce and Labor	<b>1979</b> Department of Education (see 1867)
<b>1913</b> Department of Commerce; Department of Labor	<b>1980</b> Department of Health and Human Services (see 1953)
	<b>1995</b> Social Security Administration (see 1935)

<sup>1</sup> AboutUs - StatsPolicy.

## ORIGINS

**Population censuses were well known to the founding fathers who met in Philadelphia in summer 1787 to draft a constitution for the new nation.** From the early 1600s to the Revolution, the British government had conducted a total of 46 censuses in 9 of the original 13 colonies, asking about age, sex, and race to determine people eligible for military service and taxes. The United States was the first nation to use a census to regularly reapportion seats in the legislature, as specified in Article 1, Section 2 of the Constitution.

The federal government began collecting economic statistics at an early date as well—the population census was accompanied by a census of manufactures in 1810, a question on the 1820 census asked people whether they were employed in manufacturing, commerce, or agriculture, and a census of agriculture accompanied the population census in 1840. The Treasury Department compiled annual statistics from customs data on imports and exports beginning in 1790, and Congress explicitly authorized this reporting in 1820.

**Bureau of Economic Analysis (BEA)**—Forerunners of BEA included pre-Civil War statistics offices in the Treasury Department (Bureau of Statistics) and State Department that reported on foreign and domestic commerce. These offices moved into the new Department of Commerce and Labor in 1903 and were consolidated in the new Department of Commerce in 1913 as the Bureau of Foreign and Domestic Commerce (1912–1945), renamed the Office of Business Economics (1945–1972), and then the current BEA.

**Bureau of Labor Statistics (BLS)**—The Bureau of Labor was established as part of the Department of the Interior in 1884 after almost 20 years of labor advocacy for statistics that would shed light on conditions for industrial workers. In 1888, the Bureau was made an independent (subcabinet) agency by the Department of Labor Act. It became part of the Department of Commerce and Labor in 1903 and then part of the newly created Department of Labor in 1913.

**Census Bureau**—From 1790 through 1840, censuses were conducted by U.S. marshals under the Secretary of State. From 1850 to 1900, they were conducted by a census office set up each decade by congressional legislation, which disbanded once publications were issued. In 1902, Congress established a permanent Census Office in the Department of the Interior, with responsibility for population and economic censuses and vital statistics, such as birth and death records. The Census Office moved to the new Department of Commerce and Labor in 1903 and the new Department of Commerce in 1913. At the time when BLS, Census, and the forerunner of BEA were in the same Department of Commerce and Labor, consideration was given to consolidating them into one agency (see Supporting Materials: C). However, other agencies did not want to have such a large entity that might dominate the entire department.

**National Agricultural Statistics Service (NASS) and Economic Research Service (ERS)**—The first Census of Agriculture was conducted in 1840, and the Department of Agriculture was established in 1862, setting up a Division of Statistics in 1863. At the time, agriculture was still a major source of

employment (50% or more of workers through 1880) and output (one-third of gross domestic product in the 1870s). The Division of Statistics became the Statistical Reporting Service in 1961 and then NASS. ERS's origins trace back to the establishment by USDA of the Office of Farm Management in 1905, renamed the Office of Farm-Management and Farm Economics in 1919. After several reorganizations, USDA created ERS in 1961.

### **National Center for Education Statistics**

**(NCES)**—An Office of Education Statistics was created as a part of the new Department of Education in 1867 to collect “such statistics and facts as shall show the condition and progress of education in the several States and Territories, and of diffusing such information respecting the organization and management of schools and school systems and methods of teaching” (P.L. 39-73, 14 Stat. 434). The education statistics function remained even when the department was abolished two years later. The education statistics office ultimately became NCES, first in the Department of Health, Education, and Welfare and then in the reestablished Department of Education in 1979.

**Statistics of Income Division (SOI)**—The functions of the Statistics of Income Division of the Internal Revenue Service (IRS) date to the Revenue Act of 1916, which mandates annual “publication of statistics reasonably available with respect to the operation of the Income tax law.” Authority to levy individual income taxes is in the Sixteenth Amendment to the Constitution, ratified in 1913.

**Central Statistical Board (CSB)**—The CSB was created in 1933 by executive order to

coordinate the work of the various statistical agencies and programs, established in law in 1935, and transferred in 1939 to the Bureau of the Budget, itself established in the Treasury Department in 1921 and transferred to the executive office of the president in 1939. The CSB is the forerunner of the Statistical and Science Policy Office in the Office of Information and Regulatory Affairs, created by the Paperwork Reduction Act in 1980 in the U.S. Office of Management and Budget, itself created in 1970.

### **Office of Research, Evaluation, and Statistics (ORES)**

—The origins of ORES in the Social Security Administration (SSA) date back to the Social Security Board (SSB), established in 1935 to administer the Social Security Act. The SSB was moved to the new Federal Security Agency in 1939, renamed as SSA in 1946, moved to DHEW in 1953, moved to DHHS in 1980, and made an independent agency in 1995. SSA has had research, statistics, and evaluation functions from the very beginning in 1935. These functions were in units with different names—most recently, ORES.

### **National Center for Science and Engineering Statistics (NCSES)**

—The act establishing the National Science Foundation (NSF) in 1950 required the new agency to establish a register of scientific and technical personnel to support mobilization in the event of a major war. Such a register is no longer required, but a statistical function continued, first as the Division of Science Resources Studies and then the Division of Science Resources Statistics. The Division became NCSES with passage of the America COMPETES Reauthorization Act of 2010 (Section 505; 42 USC 1862), with an expanded mandate to serve as a “central Federal

clearinghouse for the collection, interpretation, analysis, and dissemination of objective data on science, engineering, technology, and research and development.”

**National Center for Health Statistics (NCHS)**—NCHS was formed in 1960 by the merger of two formerly separate programs for vital statistics and general statistics on the nation’s health. The vital statistics program on births, deaths, and other life events dates back to 1902, when Congress authorized the Census Bureau to work with states to establish vital registration areas for nationally comparable statistics. This function was transferred in 1946 to the Federal Security Agency, a forerunner of DHEW and DHHS. The collection of statistics on health was authorized in the 1956 National Health Survey Act.

**Energy Information Administration (EIA)**—EIA was established as part of the new Department of Energy in 1977. EIA’s predecessor was part of the Federal Energy Administration, created in 1974 in response to economic distress from oil embargoes by leading oil-producing nations.

**Bureau of Justice Statistics (BJS)**—BJS was formally established in the Department of Justice by the Justice Systems Improvement Act of 1979, inheriting statistical functions previously vested in an office of the Law Enforcement Assistance Administration in 1968. A flagship program of BJS is the National Crime Victimization Survey (NCVS), which began in 1973 and is the only comprehensive source of information on crime experienced by households and not reported to the police in addition to crimes the household reported. The Federal Bureau of Investigation

has collected statistics on specified crimes known to the police since 1929.

**Bureau of Transportation Statistics (BTS)**—BTS was established by the 1991 Intermodal Surface Transportation Efficiency Act and began operations in late 1992. Prior to 1992, the Department of Transportation’s statistical programs focused on specific transportation modes (highways, airlines, etc.), except for the department’s first 10 years (1967–1977), when the Secretary’s Office funded intermodal surveys on commodity flows and long-distance personal transportation.

## CURRENT CONFIGURATION

**The federal statistical system today consists of the following:**

**Chief Statistician**, who heads the Statistical and Science Policy Office in the Office of Information and Regulatory Affairs in OMB

**13 Principal Statistical Agencies** in 9 cabinet departments and 2 independent agencies:<sup>2</sup>

Department of Agriculture—NASS and ERS in the Office of the Undersecretary for Research, Education, and Economics

Department of Commerce—BEA and the Census Bureau in the Office of the Undersecretary for Economic Affairs

Department of Education—NCES in the Institute for Education Sciences (IES)

Department of Energy—EIA

Department of Health and Human Services—NCHS in the Office of Public Health Data, Surveillance, and Technology in CDC

Department of Justice—BJS in the Office of Justice Programs

<sup>2</sup> See Supporting Materials: I, Agency Profiles, in this report for more information about the various principal statistical agencies, which are defined as agencies whose missions are predominantly the collection, compilation, processing, or analysis of information for statistical purposes.

Department of Labor—BLS

Department of Transportation—BTS in the Office of the Assistant Secretary for Research and Technology

Department of the Treasury—SOI in the Office of Research, Applied Analytics, and Statistics in IRS

National Science Foundation—NCSES in the Division of Social, Behavioral, and Economic Sciences

Social Security Administration—ORES in the Office of the Deputy Commissioner for Retirement and Disability Policy<sup>3</sup>

### 3 Recognized Statistical Units<sup>4</sup>

Department of Agriculture, National Animal Health Monitoring System, Animal and Plant Health Inspection Service

Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, Center for Behavioral Health Statistics and Quality

Federal Reserve Board, Division of Research and Statistics, Microeconomic Surveys Unit Board of Governors

**Statistical officials** in departments and agencies without a principal statistical agency:

Department of Defense

Department of Homeland Security

Department of Housing and Urban Development

Department of Interior

Department of State

Department of Veterans Affairs

Environmental Protection Agency

General Services Administration

National Aeronautics and Space Administration

Nuclear Regulatory Commission

Office of Personnel Management

Small Business Administration

U.S. Agency for International Development

## CONGRESSIONAL OVERSIGHT

Due to the decentralized nature of the federal statistical system, different congressional subcommittees have jurisdiction over one or a few departments. In the case of the House Appropriations Committee, subcommittees have jurisdiction as follows:

Agriculture—ERS, NASS

Commerce, Justice, Science—BEA, BJS, Census, NCSES

Energy and Water Development—EIA

Financial Services and General Government—Chief statistician's office, SOI

Interior, Environment, and Related Agencies—No principal statistical agencies or recognized units

Labor, Health and Human Services, Education, and Related Agencies—BLS, NCES, NCHS, ORES

Military Construction, Veterans Affairs, and Related Agencies—No principal statistical agencies or recognized units

Transportation, Housing and Urban Development, and Related Agencies—BTS

<sup>3</sup> Technically, ORES is a “recognized statistical unit” because it was omitted from a list of 12 principal statistical agencies in guidance issued for the Confidential Information Protection and Statistical Efficiency Act (CIPSEA) of 2002, although it had historically been a member of the ICSP.

<sup>4</sup> Guidance issued in 2007 for the 2002 CIPSEA stipulated that units that wanted to make use of the CIPSEA provisions for access to confidential data under secure conditions by “agents” of the agency, such as researchers and contractors, could apply to the chief statistician to be a recognized statistical unit. To date, the chief statistician has recognized ORES and the three units listed in the text. See Implementation Guidance for Title V of the E-Government Act, [https://obamawhitehouse.archives.gov/sites/default/files/omb/assets/omb/inforeg/proposed\\_cispea\\_guidance.pdf](https://obamawhitehouse.archives.gov/sites/default/files/omb/assets/omb/inforeg/proposed_cispea_guidance.pdf)

Box B-2.

# For Further Reading

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