

April 26, 2021

The Honorable Patty Murray, Chair Senate Appropriations Subcommittee on Labor, Health and Human Services and Education Washington, DC 20515

The Honorable Roy Blunt, Ranking Member Senate Appropriations Subcommittee on Labor, Health and Human Services and Education Washington, DC 20515 The Honorable Rosa DeLauro, Chair House Appropriations Subcommittee on Labor, Health and Human Services and Education Washington, DC 20515

The Honorable Tom Cole, Ranking Member House Appropriations Subcommittee on Labor, Health and Human Services and Education Washington, DC 20515

Dear Chairwoman Murray, Chairwoman DeLauro, Ranking Member Blunt, and Ranking Member Cole,

We, the undersigned members of the Friends of the Bureau of Labor Statistics (BLS) are writing to thank you for providing the BLS with increased funding in FY 2021 and to encourage you to sustain investment in the agency by **providing the Bureau with no less than \$800 million in FY 2022.** 

Thanks to your leadership, BLS has an additional \$14 million in FY 2021 to modernize its data collection and dissemination capacities, improve its ongoing programs, and better understand the impact of the digital economy on our workforce. We hope that FY 2022 continues to reverse the agency's diminishing purchasing power, which has fallen 13% since FY 2009.

The recent increase in funding is a positive step towards restoring BLS's capacity to meet consequential national data needs. The requested allocation for FY 2022 represents a further significant increase that is necessary to fund critical initiatives at BLS and to strengthen ongoing data collection and modernization. Without these funds, BLS will be forced to curtail spending on its programs, which will delay modernizations and could endanger data quality or continuity.

Notably, we support an innovative investment to work with states and the Employment and Training Administration to upgrade the quality of state Unemployment Insurance (UI) worker wage and claims records and to grant BLS access to those state-owned administrative records, with permission to share data back to the states. Adding these assets to our statistical infrastructure would enable BLS and the states to produce far more granular, timely, and agile labor market information. Weekly UI claims releases could be transformed into authoritative measures of economic dynamics. And, unlike today, monthly measures of jobs created and destroyed could be identified by occupation, hourly earnings, demographics, and work location. This information would aid educators, investors, and policymakers' efforts to track a multitude of labor market issues. For states, access to each other's curated wage records is critical for program evaluation requirements under the Workforce Innovation and Opportunity Act, analysis of labor-sheds that cross state borders, and helping allocate funds to train workers for jobs most in demand. Implementation would also reduce costs to perform high-quality federal program evaluations, supporting evidence-based policymaking at the national level.

In addition, we support expanding BLS's data modernization and data linkage activities by creating a BLS Data Science Center and a second Electronic Data Collection Facility. These two initiatives will go a long way toward lowering reporting burdens on employers, and making full use of all data collected (including UI records), such as providing insight into labor market inequities and the future of work.

The funds will also be used to begin new programs as well as strengthen and conduct more frequent collections for existing efforts. These initiatives include:

- Authorizing a new Survey of Employer-Provided Training, which will provide the first authoritative information since 1995 on the nature and extent to which employers train their workers, and which workers receive training of various kinds. This knowledge will inform decisions by employers, workers, national and state policymakers, and key stakeholders in the workforce development system.
- Redesigning the Consumer Expenditure Survey (CEX), which provides critical information on Americans' spending patterns. The new CEX would have an expanded sample and allow more frequent updating of market baskets for inflation measures. This modernization would also take advantage of available consumer transaction information or 'big data' and technological advances in order to improve data quality and reduce burden on respondents. Two major consequences would be better, more granular measures of inflation and poverty.
- Enrolling a new, and overdue, survey cohort for the National Longitudinal Survey of Youth. The two active cohorts currently contain respondents born between 1957-64 (NLSY79) and respondents born between 1980-84 (NLSY97). A new cohort is needed at this time in order to continue to provide insights over time for the next generation.
- Improving and enhancing the Job Openings and Labor Turnover Survey (JOLTS). An increased sample size for JOLTS will enable state-level data and more detailed industry data to better understand high turnover and difficult-to-fill jobs, which will be especially helpful to governors, regional economic development organizations, local workforce development agencies, and other policymakers.

These improved programs will be especially informative as our country recovers from the COVID-19 pandemic and its profound impact on business dynamics and consumption patterns.

We urge that the recent increases in funding for BLS be the start of a sustained effort to take full advantage of advances in data collection and statistical methods that must be the basis for sound decisions about public and private sector investment. To produce the high-quality statistics required for a thriving, 21<sup>st</sup> century economy, BLS must be a 21<sup>st</sup> century data agency. It is critical that BLS has the funding to take full advantage of alternative sources of data and apply advanced statistical matching and modelling techniques. Such steps would greatly reduce respondent burden, provide higher frequency granular statistics, and improve coverage of the economy, especially at state and local levels. BLS also needs the agility to create one-time surveys of establishments on topics of emerging policy interest. The economic landscape can change very quickly, as the last twelve months attest. Businesses and policymakers need information on the current economic climate and that requires a 21<sup>st</sup> century approach to collecting and reporting data.

With your support during these challenging times, BLS can continue to fully support evidence-based policymaking, smart program evaluation, rewarding career choices, and confident business investment. Thank you for your dedicated interest in this critical part of our national data infrastructure and for considering our views as you prepare the FY 2022 Labor, Health and Human Services and Education Appropriations bill.

Sincerely, Erica L. Groshen, Ph.D. Chair, The Friends of BLS Commissioner, Bureau of Labor Statistics, 2013-2017 **Organizations** Aero Research & Analytics American Economics Group, Inc. American Statistical Association AMT - The Association for Manufacturing Technology Associated General Contractors of America Association of Population Centers Association of Public Data Users Boston University Center for Economic and Policy Research Center for New York City Affairs Clayton Economics Consortium of Social Science Associations Cornell University-ILR Council for Community and Economic Research Council of Professional Organizations on Federal Statistics (COPAFS) Data Coalition Initiative Economic Innovation Group Forland Consulting The Friends of BLS Haver Analytics Industry Studies Association Information Technology and Innovation Foundation Initiative for a Competitive Inner City Institute for Social Research and Data Innovation, University of Minnesota International Brotherhood of Teamsters Inter-university Consortium for Political and Social Research National Association for Business Economics National Association of Home Builders National Employment Law Project National Multifamily Housing Council National Retail Federation National Urban League National Venture Capital Association NORC at the University of Chicago Opportunity@Work Population Association of America SRR Consulting StratoDem Analytics The W.E. Upjohn Institute for Employment Research The WorkPlace Inc. Twin Cities Research Group Visa, Inc

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