

Commission on Evidence-Based Policymaking
March 13, 2017

Open Meeting

Commissioners Present:

Katharine G. Abraham, Chair
Ron Haskins, Co-Chair
Sherry Glied
Robert M. Groves
Robert Hahn
Hilary Hoynes (via phone)
Jeffrey Liebman (via phone)
Bruce D. Meyer
Paul Ohm
Nancy Potok
Kathleen Rice
Robert Shea
Kenneth R. Troske
Kim Wallin

The open meeting was called to order at 8:30 AM. Chair Katharine Abraham provided an introduction.

Presentation 1: The Evolution of the Federal Statistical System: Implications for Evidence-Based Policymaking

Andrew Reamer, George Washington University

- Mr. Reamer provided an overview of the history of the Federal Statistical System (FSS). It has its roots in the 18th and 19th centuries and was established to provide Congress with the “political arithmetic” they needed to guide policy. Reamer talked about four threads in the development of the FSS: 1) in 1790 socioeconomic data were first collected in the Decennial Census so Congress could understand the characteristics of the U.S. population; 2) beginning in the 1790s, Congress also wanted data to help set tariffs—which were the sole source of Federal revenue before the Civil War; 3) in the 1830s and 1840s there was a perceived need for a general statistics repository; and 4) around the time of the Civil War Congress established statistical bureaus in Treasury, State, Labor, and Education. As a result of this history, there are a number of idiosyncrasies in the design of the FSS.
- Figuring out how to collect, analyze, and store data for Federal statistics took a lot of time, work, effort, and failure. It wasn’t until the 1850s, after 60 years of trying and failing, that the Federal government figured out how to do this well.
- In the early 20th century, Congress sought to use data from statistical offices to set economic policy, including scientific tariff setting. In the 1960s, Congress began using statistics to determine eligibility for and the use of Federal entitlement programs. This century also saw a new use of data to conduct policy analysis and research on individuals and groups.

- A common theme of this history is the creation of statistical units and programs to address individual questions rather than the development of a comprehensive and coordinated approach to Federal statistics.
- Congress has not always had the capacity and will to use statistics to design or evaluate policy. At first Congress thought it just needed the data. Then it realized that it didn't know what to do with those data. Congress created offices to give expert advice, but then ignored the advice because it contradicted political goals and policies around tariffs. The high point of Congressional capacity and will to use statistics was from the 1960s to the 1990s. In the 1990s, the majority party decided to cut its staff capacity to use and interpret data and that capacity was never restored.
- Mr. Reamer concluded that the U.S. has the world's best statistical system, but at the same time the state of that system and evidence-based policymaking is a function of Congressional interest. He encouraged the Commission to consider how a potential clearinghouse could serve the needs and interests of Congressional authorization and appropriation functions to make it essential to the operations of the legislature. He suggested that a law from 1903 that gives the President the authority to move Federal statistical functions could be repurposed and that an accountability clause could be added to give Congress the ability to review and approve such changes.

Discussion and Questions:

- Commissioner Troske asked how the Commission could gain Congress's interest in bringing data together without reorganizing the FSS. Mr. Reamer responded that this has to do with processes that Congress itself designs and suggested that the Commission discuss the issue with Congressman Paul Ryan's office.
- Co-Chair Haskins noted that budget committees relying on data as an example of Congressional interest. In response, Mr. Reamer wondered whether there is a way to set up the work of appropriators and authorizers in Congress so that they would feel more comfortable calling statistical agencies for data. He also said that Congress has been free to do evidence-free policymaking and it would be good for it to develop a culture where there are political consequences for not using data for decision-making.
- Commissioner Groves asked Mr. Reamer to reflect on the role the Office of Science and Technology Policy or the Congressional Research Service (CRS) could play. Mr. Reamer responded that these are examples of Congress investing in its own ability to do evidence-based policymaking during the last quarter of the 20th century.
- Commissioner Glied asked whether members would find data more useful if it were more directly related to their districts. An additional motivation, she added, would be evidence-based policymaking for the public good. Mr. Reamer replied that the American Community Survey provides data by congressional district but use of those data by members is very uneven.
- Commissioner Rice commented that it comes down to whether members trust the numbers and how they are analyzed and interpreted. Mr. Reamer responded that he had not experienced lack of trust from congressional staff.
- Co-Chair Haskins commented that Congress created the Congressional Budget Office (CBO), CRS, and the Government Accountability Office (GAO). It has also appropriated money for evaluation and even specified technical requirements and outcomes. Several bills call for "pay for success". He indicated that Congress is interested in more evidence and

better ways to use it. Mr. Reamer agreed that the institutions are there but that Congress's capacity to analyze evidence is less than it once was.

- Commissioner Groves asked Mr. Reamer to comment from his view of history on the culture of data protection. Mr. Reamer responded that initial efforts to conduct a census of manufacturers in the early 1800s failed because businesses wouldn't respond without a promise of confidentiality.
- Commissioner Troske asked for Mr. Reamer's thoughts on balancing regulatory and statistical uses of data. Mr. Reamer replied that he sees a value at looking post hoc at the impact of regulations. He also noted that it took almost a century for Federal officials to figure out how to repurpose custom declarations created for one purpose for analyzing trade. One important barrier was getting customs officials to fill out the form correctly.

Presentation 2: Overview of the Current U.S. Statistical System and Recommendations of the Interagency Council on Statistical Policy

Brian Moyer, Bureau of Economic Analysis

Barry Johnson, Statistics of Income, IRS (for Q&A)

- Mr. Moyer, joined by Mr. Johnson, spoke about role of the Interagency Council on Statistical Policy (ICSP) and then presented four recommendations to the Commission. He said that the ICSP ensures coordination and promotes data quality across the Federal Statistical System. It also establishes rules for principal economic indicators. Mr. Moyer said that the FSS consists of some 120 agencies and the ICSP consists of the heads of the 13 Principal Statistical Agencies. It is chaired the Chief Statistician of the U.S.
- Producing statistics on the Gross Domestic Product (GDP) requires many data sources and ensuring consistency in how data elements are measures across these sources is a big challenge that would be more difficult without the coordinating functions of the ICSP.
- The first recommendation was to "establish a new research environment." Mr. Moyer indicated that the Bureau of Economic Analysis (BEA) is both a data provider and a data user, which makes him sensitive to the needs of outside researchers. He said that a system that more fully makes data available to both government and non-government researchers for evidence-based policymaking would provide access not dependent on geography and could also house private data.
- The second recommendation was to "streamline the research approval process." Mr. Moyer said that the current process is cumbersome in part because of strict regulations in place to protect data privacy. He noted that statistical agencies can't function without the trust and cooperation of respondents, so there needs to be an approval process that is streamlined and efficient. He indicated that the ICSP could help by coordinating the establishment of approval review board. Mr. Moyer also advocated for harmonized processes for requesting data access and approving project proposals.
- The third recommendation was to "modify legislation to expand the use of administrative data for statistical purposes." Mr. Moyer indicated that data that can contribute to evidence-based policymaking exists but statutes prevent their use. He proposed that the tax code could be modified to allow for use of tax data for general statistical purposes and to broaden the definition of tax administration purposes. He also said that allowing the Bureau of Labor Statistics (BLS) and BEA to access business tax data that are already shared with Census would reduce classification differences across those agencies.

- The fourth recommendation was to “increase access to and quality of state and local data.” Mr. Moyer noted that states and local governments collect valuable administrative data that the Federal government can’t always access. He advocated for solutions that would expand Federal access but not place additional burden on states, including providing Federal funding to support state data systems. He called for 1) a review of existing state and local data collects to assess needs and avoid duplication; 2) consolidated requests from the Federal government for state data; and 3) pilot projects to improve state and local data systems with an emphasis on data about Federal programs. Incentives could be used to encourage states to voluntarily share data from non-Federal programs.

Discussion and Questions:

- Chair Abraham asked about the extent to which these are items that the ICSP can act on already without changes to the legal or budget environment and to what extent the Commission would need to make recommendations to implement this vision. Mr. Moyer responded that it take both. He noted that there are some things that the ICSP can do to make progress but other things, such as changes to tax law, would require the support of the Commission in Congress. Mr. Johnson added that cuts to research funding and the loss of control over IT budgets jeopardize the sustainability of these efforts. Mr. Moyer said that there are constraints around governance of statistical agency data because of confidentiality requirements but that the ICSP would like to promote partnership and solicit input on these issues.
- Co-Chair Haskins asked about expanding access to IRS data and about what IRS staff think of the idea. Mr. Johnson explained that the IRS Commissioner’s position is that the agency doesn’t write tax policy, it enforces tax policy. He indicated that these proposals had been endorsed by Treasury in the last administration and that the idea of unifying business register data has been discussed in the Ways and Means Committee. He said that the IRS is very supportive of increasing access for academic researchers and that it will be address in their new strategic plan.
- Commissioner Groves applauded the ICSP’s effort to gather recommendations and promote them publicly. He then asked if fixing the tax code would solve most of the problems. Mr. Johnson said that it was an example of a small change that would have a large impact but large barriers to data access across government would remain. The goal of the ICSP recommendations was to give a specific, straightforward list that could have a significant impact.
- Commissioner Shea asked about access for research purposes and whether that includes evaluation, program operations, or commercial reuse. Mr. Moyer said that they’d like to streamline the process for current users as a first step. Mr. Johnson added that the ICSP was most interested in statistical work to support evidence-based policymaking, not program evaluation directly although the statistics would be useful for evaluators. He added that it was important to keep voluntary participation in surveys high.
- Commissioner Rice asked whether the ICSP recommendations envisioned a clearinghouse structure that was completely a government entity and, if so, how that would work with state data. Mr. Moyer said that a lot of agencies collect data and the state and local level and that what is needed an assessment of what data are being collected and how they might be consolidated and focused to reduce burden and improve quality.

- Commissioner Troske asked whether the proposed new research environment would require Federal agencies to provide their data. Mr. Moyer responded that there are many constraints that agencies will have to consider as the clearinghouse is developed. He said there is a lot of potential for bringing information together in a way that can be useful for all sorts of research. He indicated that, even without legislative changes, just bringing the data together in an efficient governance structure would be powerful.

Presentation 3: Joint Federal-State Infrastructure to Support Evidence: Opportunities and Limitations

Maria Cancian, University of Wisconsin Institute for Research on Poverty

Erin Ulric, Colorado Department of Public Health and Environment

- Ms. Cancian said that her comments reflect her use of state data for evaluation at the Institute for Research on Poverty. She said that uncoordinated programs and services are wasteful and less effective and that sharing information is necessary for coordination of services and responsible program management.
- Ms. Cancian advocated for a “yes, unless” expectation of data sharing. Even if there are technology and data systems with the capacity, rules and policies that allow it, and empowered governance that supports it, there still needs to be an agency culture that recognizes the risks of failing to share data.
- Ms. Cancian said that there are two opportunities: 1) clarify permissible practice and expectations so that keeping data safe and making it available become central to program management; and 2) provide resources and technical assistance, including models of best practice. She gave examples of TANF and child welfare systems that benefitted from a clear signal that data sharing was allowed and an articulation of why it was useful.
- Ms. Cancian indicated that a key objective of data sharing is improving services and measuring performance. She said if the Federal government wants to use state data, they have to help build a system that is useful to the people who own and create those data so they have the opportunity to improve their own performance.
- Ms. Ulric described the WIC program in Colorado, the data it collects, and the Strategic Plan Map. She indicated that the development of the strategic plan resulted in a culture shift towards use of data and said that as more programs are seeking accreditation the more they are realizing the value of looking at data.
- Ms. Ulric discussed her programs partnership with the Census Bureau that has used data to track program performance and identify populations for targeted outreach. They’ve developed a Colorado Gap Map—an online tool that allows any user to see how programs are performing in any county in the state. This facilitates conversations at the county level, where programs are administered.
- Ms. Ulric mentioned four barriers to data sharing: 1) complexity of data and the lack of resources to extract, analyze, and interpret them; 2) lack of state leadership buy in and use of evidence-based policymaking; 3) different legal interpretations of data sharing; and 4) lack of collaboration among programs to understand what data are available and how they can be used. She said that future support for data sharing should include increased technical assistance and legal guidance, targeted funding, and the involvement of third parties to facilitate data usage.

Discussion and Questions:

- Commissioner Potok asked what the Commission should be thinking about that would help with standardization or uniformity across the 50 states. Ms. Ulric replied that the culture around evidence-based policymaking is taking off and that states will increasingly adopt it with good examples, guidance, and resources. She said that we should show states how evidence-based policymaking would help them better serve their people. Ms. Cancian added that there is a tension between trying to improve things across all states and providing more robust support to states that are ready to move forward. State Longitudinal Data System grants to states provided incentives for states that were ready and willing to go. She suggested that the Federal government could help a cohort of states get started each year and build their data systems over time.
- Co-Chair Haskins asked whether there is yet evidence to show whether efforts by the Federal government to clarify guidance on data sharing for TANF and child welfare resulted more state participation. Ms. Cancian said she would see if she could get that information.

Presentation 3: Building a Culture of Evidence in Federal Agencies

Seth Harris, Former Deputy Secretary, U.S. Department of Labor

- Mr. Harris spoke about his experience developing a culture that used evidence for program evaluation in the U.S. Department of Labor (DOL). He developed a performance pyramid that formed an operational framework for the Department. It began with a strategic plan—a leadership document that set forth the vision. It included promises to stakeholders and customers and a commitment to measuring outcomes in the lives of the people they were serving.
- The second step was an evaluation plan that connected the Department’s everyday activities to the strategic plan. DOL created the Office of the Chief Evaluation Officer (CEO) to help programs demonstrate that their outputs and outcomes related to those promised in the strategic plan.
- The third step was to develop an operating plan. This used administrative data in each DOL agency to determine the strategies they would use, the outputs they sought, and the outcomes they would achieve. If the agencies could find evidence, they had to state a testable hypothesis.
- Finally, DOL established management tools to ensure that every significant activity was measured with quarterly and annual targets. Mr. Harris held quarterly meetings with agency heads to hold them accountable for making their targets. The consequence of missing a target was more conversations with him.
- Mr. Harris said that organizational culture is “an ongoing dialogue between leaders and others in an organization about ‘how we do things around here.’” He said that this process worked—DOL had a statistically significant improvement in their performance metric scores and changed the culture of managers in the organization.
- Mr. Harris provided three recommendations: 1) set a leadership expectation at every executive department agency that they are responsible for excellent performance; 2) establish visible performance metrics and explain them, and the data that monitors them, to stakeholders and the public; 3) develop accountability systems that include agency leaders, Secretaries, and OMB. If Congress is appropriating or authorizing, they also need to care about agency performance.

Discussion and Questions:

- Commissioner Shea said that performance culture depends on the quality of the leader and his or her interest in championing it and that the culture shift that occurred at DOL was undoubtedly because of his leadership. Mr. Harris responded that managers in the Federal government take the hierarchy very seriously so if OMB or the White House says performance is a priority and holds regular meetings to discuss it then won't take long.
- Commissioner Wallin commented that if the evidence of performance points to poor results it could hurt the organization. She asked how to make sure that evidence is used for good purposes and not for "gotcha". Mr. Harris had two comments in response. First, he said, one of the most important ingredients in change is a clear definition of success, which in his case included having the "best year yet" and also "beating the average of the last five years". This put pressure on the system and on managers because they had to figure out what they could do differently to improve. Second, the process was not a thumbs up or down system where a program succeeded or failed. "Kill it or keep it" makes it impossible to have a management discussion. Focus on program improvement rather than whether it lives or dies.
- Chair Abraham asked about the process for setting an evaluation agenda between the DOL Chief Evaluation Office and the programs. Mr. Harris said that one of most important innovations of the CEO was the concept of a learning agenda. Every agency had to have a five-year learning agenda as part of their operating plan. The agenda was developed through dialogue among the CEO staff, program staff, and program evaluation staff. The discussions were about how to succeed. The agencies welcomed the help and turned money over at the end of the fiscal year to get help from the CEO office.
- Commissioner Troske asked what the Commission can do with data availability to help in this process. Mr. Harris spoke about the important of tax and social security data for understanding the performance of the Department of Labor.
- Commissioner Groves asked for examples of where new data need to be collected. Mr. Harris answered that the examples he could provide would all be internal to DOL.

Commission Chair Abraham adjourned the meeting at 10:45 AM.