



April **, 2024

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

The Honorable Robert Aderholt, Chair
House Appropriations Subcommittee on Labor,
Health and Human Services and Education
Washington, DC 20515

The Honorable Shelley Moore Capito, Ranking
Member
Senate Appropriations Subcommittee on Labor,
Health and Human Services and Education
Washington, DC 20515

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

Dear Chairwoman Baldwin, Chairman Aderholt, Ranking Member Capito, and Ranking Member DeLauro,

We, the undersigned members of the Friends of the Bureau of Labor Statistics (BLS), urge you to sustain and grow investment in the agency by **providing the Bureau with no less than \$812 million in FY 2025**.

Thanks to your leadership, BLS received an additional \$38.5 million in FY 2023 to modernize its data collection and dissemination capacities, improve its ongoing programs, and better understand the impact of the digital economy on our workforce. In FY 2024 the funding of the agency was level with FY 2023. . We hope that FY 2025 continues to reverse the agency's diminishing purchasing power, which has fallen 13% since FY 2009.

The increase in funding is a positive step towards restoring BLS's capacity to meet consequential national data needs. The requested allocation for FY 2025 represents a further significant increase that is necessary to fund critical initiatives including modernizing existing systems at BLS, examples of which are listed below.

- *Current Population Survey (CPS) Modernization* – The CPS is on budgetary life support and needs immediate help. The CPS is a monthly survey of households that provides a comprehensive body of data on the labor force, employment, unemployment, and other labor force characteristics. Established in 1938, the CPS has seen declining response rates in recent years, as have other surveys, and significant funding gaps. The modernization effort is focused on improving response rates and thereby reducing bias in the critical data the survey produces as well as significantly reducing costs. These efforts include the development of an internet self-response mode, direct focus on hard-to-reach cases, and adaptive design which will yield cost savings while maintaining data quality.
- *Upgrade Job Openings and Labor Turnover Survey (JOLTS)* – JOLTS is the only survey produced by the federal government on the demand for labor. However, its future is threatened by its reliance on a tiny staff (less than 50) and declining response rates. Citizens benefit when they can better understand how the local job market in their employment sector might impact their job prospects. Businesses benefit from an ability to better benchmark their own experience with labor turnover to their industry to ensure that their wage and benefits are competitive.
- *Enhanced Unemployment Insurance (UI) wage records* – Every citizen with a job wants to know how their current job stacks up against trends in the labor market. This data would provide accurate, up-to-date wage records by industry and occupation for small area geographies to help provide informed decisions

about current and alternative employment options. Businesses benefit by having more timely and more granular market intelligence about wages, hours, and other benefits. It could also reduce reporting burden on employers by substituting administrative data for some survey collections. BLS currently provides granular hourly earnings data annually, with a 1-year lag. This initiative would allow BLS to increase frequency and timeliness substantially. These funds would allow the BLS to support the States in adding important information to UI wage records (such as occupation and hours), reducing errors, improving confidentiality, making them consistent across states and performing state-specific analysis (such as program and policy evaluations). These improvements will support evidence-based decision-making at the citizen, local, state and federal levels.

- *New Cohort for National Longitudinal Survey of Youth* – Congress has provided funding to begin work on a new cohort for the NLSY. This cohort is critically important to chronicle and understand the labor market experiences of people entering the labor market shortly after the pandemic. Continued funding of the new cohort is needed to field test the survey and further refine it to ensure the data yield key insights about this unique time.
- *Broaden comprehensiveness of Consumer Expenditure Survey* – This initiative includes expanding coverage of in-kind benefits, home production, and lower income consumers on a quarterly basis. It will also provide more robust data to support the Supplemental Poverty measure. Citizens and businesses would benefit from a better understanding of how people respond to changes in prices, especially lower income and working families. BLS has made investments in this project and is ready for deployment of new survey instruments.

We urge that 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, 21st century economy, BLS must be a 21st 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, provide more return for Congress's investments in the agency, and improve coverage of the economy, especially at state and local levels. The economic landscape can change very quickly, as the pandemic and ongoing recovery attest. Businesses and policymakers need information on the current economic climate and that requires a current, up-to-date 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 2025 Labor, Health and Human Services and Education Appropriations bill.

Sincerely,
Erica L. Groshen, Ph.D.

Co-Chair, The Friends of BLS
BLS Commissioner 2013-2017

William W. Beach, D. Phil.

Co-Chair, The Friends of BLS
BLS Commissioner, 2019-2023

Organizations

Council of Professional Associations on Federal Statistics (COPAFS)