
THE GEORGE WASHINGTON UNIVERSITY

WASHINGTON, DC

December 13, 2024

Statistical and Science Policy Office
Office of Information and Regulatory Affairs
Office of Management and Budget
Washington, DC

Re: Annual Integrated Economic Survey (OMB Control No. 0607-1024)

I am pleased to submit this letter in response to the Census Bureau's request for comments on its [information collection request \(ICR\)](#) for the 2024 Annual Integrated Economic Survey (AIES), as invited in the *Federal Register* on November 13, 2024 (89 FR 89587).

In particular, I write to express my appreciation of and offer comments on Attachment P of that ICR, ["Census Bureau NAICS Implementation Action Plan for OMB."](#) The Census Bureau provided Attachment P in fulfillment of the term of clearance issued by OMB on June 21, 2023 in response to the Census Bureau's ICR for the AIES dress rehearsal, specifically:

[I]n light of the Census Bureau's finding in Supporting Statement Part B "that NAICS classifications can be unnatural or challenging for some businesses," the Census Bureau within 1 year of this clearance shall provide OMB a research plan (and relevant research updates) to address such NAICS classification issues. This research plan should include ways the Census Bureau plans to estimate the percentage of respondents across collections that select an incorrect NAICS code; how the Census Bureau plans to estimate the extent to which differences in NAICS code assignments by the Census Bureau and the Bureau of Labor Statistics for the same establishments are due to misclassifications in the Census Business Register; and possible approaches the Census Bureau could take to reduce NAICS misclassification.

This term of clearance is consistent with [my comment letter](#) submitted to OMB on May 4, 2023.

Reviewing Attachment P, I:

- find the Census Bureau's information on the extent, nature, and sources of NAICS misclassification quite useful;
- am impressed with the Census Bureau's technical efforts (e.g., BEACON, Dr. NAICS) to reduce the extent of NAICS misclassification;
- applaud the Census Bureau's commitments to conduct and disseminate the findings of further research; and
- support its suggestion for an Interagency Technical Working Group for NAICS Implementation Adjudication.

To enhance the impacts of the Census Bureau's valuable action plan, I request that OMB approve the 2024 AIES ICR with a term of clearance that directs the Census Bureau to:

- Maintain a regularly updated section of the agency's website devoted to efforts to improve the reliability of NAICS classification. Such a set of webpages should provide stakeholders with regularly updated information on:
 - public and private sector uses of federal economic statistics disaggregated by NAICS code;
 - Census Bureau and Bureau of Labor Statistics (BLS) protocols and processes for NAICS classification in their respective business registers (BRs);
 - the nature and extent of NAICS classification issues, such as:
 - the extent to which Census Bureau and BLS classifications match for single-establishment firms and multi-establishment firms;
 - the extent to which the Census Bureau's BR contains establishments not in the BLS BR and vice versa;
 - the extent to which the Census Bureau and BLS differ in an establishment's NAICS classification;
 - the extent, nature, and sources of NAICS misclassification by the Census Bureau, as best as can be determined; and
 - changes in these various measures over time;
 - goals for NAICS classification accuracy and the nature and impact of Census Bureau efforts (e.g., BEACON, Dr. NAICS) to achieve those goals;
- Issue an RFI (request for information) in the *Federal Register* regarding uses of NAICS-specific federal data and problems or concerns regarding classification; and
- Once a year, present findings and plans regarding the above to the Federal Economic Statistics Advisory Committee (FESAC) for feedback and comment.

I appreciate the opportunity to provide comments on the AIES, hope you find them of value, and look forward to seeing OMB's conclusion action.

Sincerely,



Andrew Reamer
Research Professor