

News from Congresswoman NYDIA M. VELÁZQUEZ

Representing New York's 7th Congressional District • Brooklyn, Manhattan & Queens
Ranking Member, House Small Business Committee



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Velázquez, House Members Oppose Privatization of Puerto Rico Statistical Agency

Call for Inclusion in Other U.S. Statistical Programs

Washington, DC – Rep. Nydia M. Velázquez (D-NY) today led fourteen Members of Congress in expressing concerns over the potential privatization of the Puerto Rico Institute of Statistics (PRIS). In a bipartisan letter to the Office of Management and Budget, the Members of Congress write that the ongoing humanitarian crisis and economic hardship on the Island requires accurate, reliable data and that removing the independence from the PRIS' functions could undermine the Institute's credibility. The Members of Congress also ask that Puerto Rico be included in other federal statistical programs to finally close the data gap that exists for Puerto Rico.

“Amidst recent news coverage on the intention of Puerto Rico's government to fold the Puerto Rico Institute of Statistics (PRIS) into the Department of Economic Development and Commerce and allow for the Secretary to privatize PRIS's core functions, we write to you to express concern over the announcement, and reiterate the importance of the independence of the PRIS,” the letter states. “As it relates to Puerto Rico, the need for public, independent, and unbiased data has never been more acute, particularly as Congress debates disaster supplemental legislation. We urge the inclusion of Puerto Rico in federal statistical programs and surveys carried out by the U.S. Census Bureau and other federal agencies.”

The full text of the letter is below. A .pdf of the letter is online [here](#).

February 2, 2018

Dr. Nancy Potok
Chief Statistician
Office of Management and Budget
725 16th Street NW
Washington, DC 20503

Dear Dr. Potok,

Amidst recent news coverage¹ on the intention of Puerto Rico's government to fold the Puerto Rico Institute of Statistics (PRIS) into the Department of Economic Development and Commerce and allow for the Secretary to

¹ See, e.g., <http://caribbeanbusiness.com/american-statistical-association-dont-dismantle-puerto-rico-statistics-institute/>;
<http://www.elnuevodia.com/noticias/locales/nota/movidaextranaelprivatizarlasestadisticas-2391800/>;

privatize PRIS's core functions, we write to you to express concern over the announcement, and reiterate the importance of the independence of the PRIS. As it relates to Puerto Rico, the need for public, independent, and unbiased data has never been more acute, particularly as Congress debates disaster supplemental legislation. We urge the inclusion of Puerto Rico in federal statistical programs and surveys carried out by the U.S. Census Bureau and other federal agencies. This is consistent with language included in the report issued in December 2016 by the bipartisan Congressional Task Force on Economic Growth in Puerto Rico.²

We are convinced that effective policy hinges on dependable data. The U.S. Census Bureau is the lead provider of unbiased statistical information that serves as the foundation for financial, political, economic, regulatory, and social policy decisions that local, state, and federal policymakers make every day. Yet, the U.S. territories are unfairly excluded from some programs conducted by federal statistical agencies, including some of the most important programs, namely the Census of Governments, the Current Population Survey, and the American Housing Survey – just to name a few.

Puerto Rico is currently facing a multi-layered crisis: one of population blight, humanitarian needs, and economic strife. While the causes for the economic decline were debatable prior to Hurricane Maria, what was certain is that Puerto Rico's economy had shrunk by more than 10 percent and shed more than 250,000 jobs in the decade preceding the Hurricane. About 56 percent of children and more than 45 percent of the total population lived in poverty – the highest poverty rate of any state or territory – and its 10.1 percent unemployment rate was more than twice the national level.

Those challenges sparked the largest wave of outmigration since the 1950's. More than 300,000 people left Puerto Rico in that ten-year span, including a record 84,000 who left in 2014 alone. As a result, Congress passed and the President signed the Puerto Rico Oversight Management and Economic Stability Act of 2016 (PROMESA). The devastation wrought by Hurricane Maria only made the economic outlook for the Island worse, and Puerto Rico must now also deal with recovering and rebuilding from one of the most dangerous storms in recorded history. In order for the economy to succeed, and for recovery efforts to be managed and implemented in the most efficient manner possible, we must be able to accurately measure the Island's economy, which is challenging, if not impossible, without reputable statistics.

In achieving this goal, PRIS has proven to be a key ally of the federal statistical agencies as a highly professional, autonomous, and apolitical organization that is bringing greater transparency to economic, financial, and fiscal conditions on the Island. Greater collaboration between PRIS and its Federal counterparts is essential to closing the data gap that exists for Puerto Rico. We wholeheartedly agree with the American Statistical Association in its recent statement³ on the reorganization of the agency:

Government statistics play a powerful role in any democracy. They empower the economy, serve the health and welfare of its citizens, improve governance, and inform decisions and policies in the public and private sector, among many other vital functions. Government statistics are also fundamental to evidence-based policymaking, the engagement of which is on a rapid rise in local, state, and federal governments.

It is crucial that Puerto Rico take every reasonable step to produce credible and reliable data products, but it is also critical that the United States include Puerto Rico, and other U.S. territories, in the same statistical products done for U.S. states. To that end, we were pleased that the House Commerce, Justice, Science (CJS) Appropriations Subcommittee—at the request of CJS Ranking Member José E. Serrano—issued report language (H. Rept. 115-231)

http://www.elvocero.com/gobierno/privatizar-n-el-instituto-de-estad-sticas-de-puerto-rico/article_ffef5480-f4a3-11e7-b8dd-5b634167aff7.html; <http://caribbeanbusiness.com/powers-of-p-r-statistics-institute-uncertain/>; <http://caribbeanbusiness.com/puerto-rico-statistics-institutes-exclusion-in-revision-of-storm-related-deaths-criticized/>; <https://www.bondbuyer.com/opinion/the-other-hidden-crisis-in-puerto-rico-economic-statistics> (last visited January 29, 2018).

²<https://www.finance.senate.gov/imo/media/doc/Bipartisan%20Congressional%20Task%20Force%20on%20Economic%20Growth%20in%20Puerto%20Rico%20Releases%20Final%20Report.pdf> (last visited January 29, 2018).

³https://www.amstat.org/asa/files/pdfs/POL-PR_Stats.pdf (last visited January 29, 2018).

calling on the U.S. Census Bureau “to include all citizens of the United States, including those in Puerto Rico and other offshore jurisdictions, in its estimates of U.S. resident population and other national statistics.”⁴

The report also “urges the Department to continue its efforts to help the Government of Puerto Rico to modernize its economic statistics programs, and directs the Department, through the Bureau of Economic Analysis (BEA), to initiate efforts to calculate gross domestic product (GDP) for Puerto Rico, just as BEA currently does for every other U.S. jurisdiction.”⁵

These are all steps in the right direction to ensure that policymakers and the public at large have the most accurate and reliable statistics possible for Puerto Rico, and the Census Bureau and Department of Commerce should update us on progress made to achieve these policy goals.

To this end, we urge your support for the Puerto Rico Institute of Statistics, and look forward to working with you to ensure that the Island is included in the full breadth of the federal government’s statistical programs. Thank you for your attention to this important matter.

Sincerely,

Nydia M. Velázquez
Member of Congress

Tom MacArthur
Member of Congress

Norma J. Torres
Member of Congress

Sean Duffy
Member of Congress

José E. Serrano
Member of Congress

Luis V. Gutiérrez
Member of Congress

Madeleine Z. Bordallo
Member of Congress

James P. McGovern
Member of Congress

Jerrold Nadler
Member of Congress

Adriano Espaillat
Member of Congress

Grace F. Napolitano
Member of Congress

Grace Meng
Member of Congress

Frank Pallone, Jr.
Member of Congress

Michelle Lujan Grisham
Member of Congress

Tony Cárdenas
Member of Congress

⁴ H. Rept. 115-231 (<https://www.congress.gov/congressional-report/115th-congress/house-report/231/1>) (last visited January 29, 2018).

⁵ *Id.*

Cc: Dr. Bryan Moyer, Director U.S. Bureau of Economic Analysis (BEA)
Hon. Ricardo A. Rosselló Nevaes, Governor of Puerto Rico

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