

Lola E. Leon Guerrero  
Director, Bureau of Statistics and Plans  
Government of Guam

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Written Statement of Testimony on oversight hearing entitled “Examining GAO’s report to Address Data Gaps and How to Improve Data Collection in the Territories.”

Good morning! Chairwoman Hageman, Ranking Member Fernandez, and distinguished members of the Subcommittee, it is an honor to appear before you and the members to provide Guam’s testimony on “Examining GAO’s Findings to Address Data Gaps and Improve Data Collection in the Territories”.

I am presenting testimony to address the critical issue pertaining to the lack of data equity and exclusion of the U.S. Territories in many of the federal statistical products that is afforded to Puerto Rico and the 50 states. This exclusion leaves Guam and the U.S. Territories with limited access to current information and are left to rely on administrative data and/or local and federal resources to conduct periodic data collection and surveys to address the priority needs of the community.

Data collection is fundamental to gaining and drawing valuable insights on critical topics, predicting trends, preventing risks, making informed decisions and in developing critical and sound policy. Good data is especially important for island economies with limited resources and who are dependent on external factors such as tourism and federal spending for sustained economic growth. Guam, being the farthest western-most territory, and second in land area, is dependent on three pillars for economic growth: tourism, military spending and federal funding. Although extensive data is collected, relevant labor market and population files are not often readily available to facilitate data analysis. The lack of resources to facilitate the data capture along with the skilled data technicians or analysts to define, analyze, and evaluate the process are challenges faced by U.S. Territories to obtaining meaningful data.

I commend GAO for addressing this long-standing issue recognizing the unique challenges the U.S. Territories face when making decisions. Whether we live in small island communities, populous states, or nations, we are all driven by data and the absence of consistent, reliable and up-to-date demographic, social and economic information impacts the government’s ability to plan effectively and secure the resources needed for a sustainable future.

The Bureau of Statistics and Plans (BSP) is in support of the recommendations to the subcommittee regarding the lack of data equity for the U.S. Territories. We recognize that the U.S. Territories do not participate in the ongoing surveys conducted in the United States including the American Community Survey (ACS), the Current Population Survey (CPS), Consumer Expenditures Survey, Current Employment Statistics Survey, and other surveys conducted by the Bureau of Labor Statistics and other federal programs. As such, the U.S. Territories rely on the once a decade census to obtain critical housing and population statistics.

While the decennial census provides comprehensive information for the U.S. Territories, the lack of current statistics does not present a clear picture of the current condition of the U.S. Territories to address immediate and long-term issues accordingly.

Presented are some examples pertaining to the data inequities and disparities regarding the exclusion of the U.S. Territories from the federal statistical data products.

*Decennial Census.* The Decennial Census data provides a major source of comprehensive information about Guam's demographic, socio-economic and housing characteristics. Because Guam receives this data once every 10 years, the more detailed the information that is made available, the better the understanding of the housing and population make-up for Guam.

The U.S. Census Bureau reported a population decline between 2010 and 2020 for Guam and the territories. The population decline from 2010 and the impact of the coronavirus pandemic on the 2020 Census results draws serious concerns for the government of Guam. While we recognize that there are limitations to the census data, we are concerned how the data will impact funding allocation formulas for the island and the territories. We have villages without demographic data, no detail on military members and their households, and there is less detail than in the 2010 Census of Guam. For example, the Bureau of Statistics and Plans notes the impact of data tables released by the Census Bureau reporting "N" cases in a number of municipalities (villages) as it pertains to certain data like income. This signifies that the "data is not available for selected geographic areas due to concerns with statistical reliability."

Many agencies rely on income data to determine eligibility for programs (i.e. HUD's Community Development Block Grant (CBDG) relies on low/moderate income data to determine if an area meets the criteria of having at least 51-percent of the population meeting HUD's definition of those falling in the low to moderate income category.) For the island areas, the decennial Census is used to determine low/moderate income (LMI) areas. As such, these "eligible" areas do not change until the next decennial census. HUD works directly with the Census Bureau to prepare the LMI eligible areas of which 51-percent of the residents are low-moderate income individuals or households. HUD, however, does allow a jurisdiction to conduct income surveys to determine the percentage of LMI persons in the service area. HUD provides guidelines to do this. Like HUD, other federal agencies should provide guidance on acceptable methodologies to follow to obtain data that is acceptable to justify funding requests.

In preparations for the decennial census, Guam worked closely with Census Bureau officials in reviewing and updating census topics, questionnaire content, geography and the like. With respect to the census questionnaire, I want to point out that several census questions in Guam's "long form" were removed for the 2020 Guam Census, and these questions include "use of battery-operated radios, air-conditioning, main type of material used for the roof, and main type of material used for the foundation." The Bureau of Statistics and Plans requested to retain the census questions; however, our request was not considered, and the questions were removed in the 2020 Guam Census. The use of battery-operated radios is critical in times of emergency when there is a loss of power, internet and telecommunication services. This was evident in May 2023 when Guam was struck with Category 4, Typhoon Mawar, and internet and phone communication were lost. Residents lacked information about the condition of the storm and

impact to the municipalities, flooded areas where roads were impassable, when the power and water will be restored, and where services can be obtained. It is important to note the Guam Homeland Security / Office of Civil Defense lists battery-powered radios and NOAA weather radios as part of the emergency supply list to Get Guam Ready in preparation for an emergency or natural disaster. This and the other topics specific to the Island Areas needs are necessary for emergency preparations and response planning and to determine the level of housing structure conditions on Guam.

In addition, we had requested for the release of the Public Use Microdata Sample (PUMS) for Guam based on the 2020 Census of Guam; however, the PUMS is not listed as part of the 2020 Island Areas Data Products release schedule, and we are unclear if the Census Bureau will make available the PUMS at a later date. The 10-percent sample of housing and population records allows users to run specified tabulations at the Guam level. The PUMS is a useful data application tool that allows the data user to run frequencies and cross any variable by other population and housing variables. In this regard, the user can run cross tabulations and frequencies at the Guam (island-wide) level when information is not available from the standard set of tables released by the Census Bureau.

The Census Bureau serves as “the primary U.S. government source of population estimates and projections for the U.S. Island Areas.” Because many government and civic organizations use population projections for program planning and application for federal assistance, we have requested the Census Bureau to provide projection updates. Currently, we are waiting for the Bureau officials to update the population projections since the release of the detailed results from the 2020 Census of Guam.

We recognize that the Census statistics that Guam receives serves as the most valuable, comprehensive resource and reference tool used by government, community officials, students and the public for research, planning, and for access to federal funding opportunities. Having to rely on a once a decade census data set leaves little for our policy and community leaders to work with to effectively plan and lead our island for the next 10 years. Presently, Guam does not have the resources to bridge the gap. Had the territories been able to participate in the ongoing federal statistical surveys such as the American Community Survey (ACS), Current Population Survey (CPS) and Consumer Expenditure Survey (CES), federal funds could have been better allocated to meet the present and ever-changing needs of our communities.

*IMPLAN.* IMPLAN is the leading provider of economic impact data and analytical software and utilizes an economic modeling technique called Input-Output analysis. Through US EDA funding, BSP procured a one year subscription for the Department of Labor. Last year, my office was informed that due to a change in the disclosure policy in the U.S. Census Bureau, the IMPLAN data sets will “no longer be generating data sets for American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI).” This economic software contains populated data elements from a variety of federal sources that is available in the United States and can be used to estimate economic impact of past or existing economic conditions of an area. The intent is to use existing data sets in the economic model software from federal or state sources as well as input other locally obtained data to calculate the effects to local industries or income change to the economy. The IMPLAN data sets are available for the 50 states, the U.S.

Virgin Islands, and Puerto Rico, but are not available to the territories of American Samoa, Guam, and CNMI. This lack of the IMPLAN data sets for the three territories may adversely impact grant projects and programs that use IMPLAN to analyze and forecast impacts of proposed economic development events influenced by changes in economic conditions.

*Economic Census.* The Economic Census is a census of every paid employee in the United States and territories. Conducted once every 5 years in the years ending in “2” and “7”, the Economic Census for the Island Areas is funded by the U.S. Department of Interior and contracted to the Census Bureau to conduct the census of all business establishments in the area. Historically, the Economic Census has been funded by the Department of Interior. We understand that former Guam delegate, Madeleine Bordallo, during her tenure had drafted legislation for Congress to mandate the Census Bureau to conduct the mandatory census of economic activity for the territories. However, we are not aware that legislation has ever been enacted to legally mandate the Census Bureau to fund and conduct the Economic Census for the territories. Moreover, the Government of Guam had been informed by Interior officials that they will be suspending its contract with the Census Bureau in this matter due to financial limitations. Currently, Interior officials have been coordinating with Guam officials to review and assess administrative and economic data to produce GDP and other economic statistics. Again, the U.S. Territories do not have the adequate representation nor funding resources to ensure this survey continues so that our local government officials and business sector maintain access to critical economic statistics necessary to make sound business decisions and to promote economic development initiatives.

*Justice40 Initiative - Climate and Economic Justice Screening Tool (CEJST).* The Biden Administration created the Justice40 Initiative to address the decades of underinvestment in disadvantaged communities. It requires forty percent of the overall benefits of certain Federal climate change, clean energy, affordable and sustainable housing and other investments covered programs under the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) funding opportunities to flow to disadvantaged communities that are marginalized by underinvestment and overburdened by pollution. The CEJST was created with an interactive map and uses datasets that are indicators of burdens in eight categories (climate, energy, health, housing, legacy pollution, transportation, water and wastewater, and workforce development). However, the CEJST does not illustrate nor provides for a no-burden threshold metrics for Guam in 7 of the 8 categories. It only applies for workforce development and is specific to unemployment. Most of the data used to make the underserved determination were from surveys and databases that Guam was not included in. These include but are not limited to the ACS, FEMA National Risk Index, US Department of Energy LEAD Tool, Centers for Disease Control and Prevention (CDC) places data, and HUD Comprehensive Housing Affordability Strategy dataset. In reference to the sources used for the CEJST, again the majority of the sources are not available for American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands.

There are 70 data points used to determine “disadvantaged” eligible categories where there was insufficient data for Guam. The only data qualified as sufficient for Guam applied primarily to income, race, and educational attainment. This meant that categories related to Climate Change, Environmental Hazards, Energy Burden, Health Risks, and proximity to hazardous facilities

were not categories that Guam would apply for under the BIL and IRA funding opportunities. These are categories that Guam's census tracts should qualify as disadvantaged, however, Guam did not meet the criteria. Since FEMA is also following this for the Social Vulnerability Index (SVI) requirements that apply to resilience funds, Guam is going to have issues with those FEMA programs as well.

*Hazard Mitigation.* Data inequities for the territories also impact emergency management and hazard mitigation. To be eligible for Hazard Mitigation and Building Resilient Infrastructure and Communities Grants, Guam must have an active and FEMA approved Hazard Mitigation Plan. This plan needs to be renewed every 5 years. A major component of developing this plan is hazard mapping, and a spatial vulnerability analysis of hazards to government assets and vulnerable populations. Like EPA's CJEST, FEMA's National Risk Index Mapping and FEMA's Hazus Program are not populated with the data and layers for American Samoa, Guam, and CNMI as they are for the states, USVI, and Puerto Rico.

These tools provide the type of mapping, data and reporting needed for a Hazard Mitigation Plan for the states. Since they are not readily available to Guam, we have had to develop the mapping, the tools, and the reporting on our own. This is not a simple task since this involved developing a Social Vulnerability Index for Guam, building stock for Guam, GIS tools, and much more. While Guam was able to accomplish this, it should not be necessary, and the territories should not be held to the same standard as the states for federal funding opportunities when they are not given the same resources and tools to make them eligible.

*Social Vulnerability Index (SVI).* The Centers for Disease Control and Prevention and Agency for Toxic Substances and Disease Registry Social Vulnerability Index (hereafter, CDC/ATSDR SVI or SVI) developed this tool (SVI) to identify and provide emergency response to vulnerable communities. This tool serves as a database and mapping application designed to identify and quantify communities experiencing social vulnerability (demographic and socioeconomic factors such as poverty, lack of access to transportation, and crowded housing) based on data collected from the American Community Survey. Because Guam does not participate in the ACS, Guam developed and calculated its Social Vulnerability Index using CDC methodology and an adjusted SVI using CDC-modified method incorporating additional Guam-specific characteristics on housing structure and other relevant indicators specific to the island. In 2021, Guam released the "Calculating the Social Vulnerability Index for Guam" report using the data from the 2010 Guam Census to rank and identify the most vulnerable communities on the island. The Guam SVI results serve as an important step in providing reliable insights on how to solve community issues. The information helps to increase knowledge and awareness of vulnerable communities and inform strategies for disaster management. Specific census subjects such as building materials used for walls and roof, telephone service availability, access to computer/laptop and internet use, and battery-operated radios provide critical planning and support service information needed for areas prone to natural disasters including hard-to-reach areas and wooden and metal housing structures. Of interest to note is that the 2020 Census of Guam results will not include data on building materials, air conditioning, and access to battery-operated radios which could have contributed to updating Guam's Social Vulnerability Index. As such, critical data distinct to the island areas will not be available.

*Equal Employment Opportunity Plan (EEOP).* Under the U.S. Department of Justice, grant recipients are required to develop an Equal Employment Opportunity Plan which is a workforce report for funding authorized by the Omnibus Crime Control and Safe Streets Act of 1968. The EEOP's purpose is to ensure that recipients of financial assistance from the Justice Department are providing full and equal participation of women, men and minority individuals regardless of sex, race or national origin in employment opportunities in the criminal justice system. To help recipients comply with the EEOP regulations, recipients utilize the online EEOP Utilization Report that collects and analyzes key employment data, organized by race, national origin and sex.

Although the U.S. Census Bureau has collected extensive data on Guam, the relevant labor market files for preparing an EEOP Utilization Report are not readily available and are published several years following the decennial census. The Bureau of Statistics and Plans analyzes and collects labor market statistics, however, the Bureau of Statistics and Plans and its US DOJ subrecipients cannot use the US DOJ, Office for Civil Rights Equal Employment Opportunity (EEO) Reporting System (EEOP online system) for developing the EEOP Report because the Bureau of Statistics and Plans uses racial and national origin categories that are more extensive than the ones used in the EEOP Report. The disparity in the data reported cannot be measured in a systematic manner to ensure accuracy and facilitate data analysis. Since the data collected is meant to provide content for data analysis, the information must be of the highest quality for it to be of value. Thus, it is important the Census Bureau include the PUMS in the 2020 Island Areas Data Products to release as Guam utilizes the PUMS to prepare the community workforce utilization report.

*National Incident-Based Reporting System (NIBRS).* In FY 2016, the FBI formally announced its intention to sunset the Uniform Crime Report (UCR) program's traditional Summary Reporting System (SRS) and replace it with National Incident-Based Reporting System (NIBRS) by January 1, 2021. By statute, Bureau of Justice Assistance (BJA), Justice Assistance Grant (JAG) awards are calculated using summary part 1 violent crime data from the FBI's UCR program. Specifically, the formula allocations for JAG rely heavily on the ratio of "the average number of part 1 violent crimes of the UCR of the FBI reported by such State for the three most recent years reported by such State to the average annual number of such crimes reported by all States for such years" (34 U.S.C. 10156(a)(1)(B)). Guam achieved NIBRS certification in 2022, however, challenges are experienced with the mobile field reporting and the continued manual reviews to properly categorize crime offenses using the NIBRS offense code and related arrest information of the offense. As such, potential limitations may result in the underreporting of crimes, limited coverage of certain demographics, and reliance on self-reported data. Recorded crime statistics may not provide reliable measures in the levels or trends in crime and victimization making it difficult to create appropriate law enforcement budgets, programs and policies. With the transition to NIBRS, the Byrne JAG formula calculations will be based on NIBRS reporting. Without reliable and accurate statistics, it would be difficult to create appropriate law enforcement budgets or resource allocation to help determine which programs or communities will receive criminal justice grants.

*US Bureau of Labor Statistics Programs.* According to the Guam Department of Labor, the specific statement about Guam's participation in US Bureau of Labor Statistics (BLS) programs is in error. It states that Guam does not participate in the US BLS Current Employment Statistics

(CES) program because of the nonexistence of a permanent unemployment insurance program. That is incorrect.

Guam is legally eligible to apply for the US BLS CES program and was seriously considered at one time years ago. Guam BLS reviewed the Cooperative Federal/State statistical programs with the BLS regional office in depth. According to the Chief Economist of the Guam Department of Labor, Guam decided to not submit an application for this cooperative program because 1) Data collection is done primarily centrally by phone and the call center hours did not align with Guam's business hours; 2) The BLS program is monthly whereas the Guam version is quarterly (DOL did not believe there was a need for monthly data for Guam and the workload for the department and employers did not seem to be justifiable); and 3) The US CES BLS timelines for CES requirements are very short and frequent. The DOL would have great difficulty and stress in attempting to meet the requirements without a lot of funding beyond the program allocations. Further, it would require more regional and national office support. It would not be impossible to operate the US CES program with a lot of support, but with the existing circumstances it would be unrealistic.

Guam does not participate in the Quarterly Census of Employment and Wages (QCEW) program because of a lack of an Unemployment Insurance (UI) program. Guam also does not participate in the Local Area Unemployment Statistics (LAUS) program because of the lack of the UI and lack of the US Current Population Survey (CPS) and Current Employment Statistics (CES) survey. The Unemployment Insurance program database is needed to operate the QCEW and Local Area Unemployment Statistics LAUS programs.

Guam did begin to apply for the US BLS program and began participating in the BLS Occupational Employment and Wage Statistics (OES), now OEWS, program and added the Census of Occupational Fatalities (CFOI) program to the existing Survey of Occupational Injuries and Illness (SOII) program. Some federal statistical programs are handled exclusively by the Federal Government and others are Cooperative Federal/State programs in which the US BLS provides program guidelines, software and administration with local government participation to collect data and provide input to the statistical program.

The Current Population Survey (CPS) is a household survey to collect information as a component to the LAUS unemployment model estimates. It is a US DOL BLS program which contracts the Census Bureau to collect unemployment information in the 50 states, the USVI and Puerto Rico. This is not conducted in Guam. In such absence the Guam Department of Labor, BLS conducts a similar locally funded survey to collect information and publish unemployment rates for Guam. Inclusion of Guam in the US CPS and/or technical support for the survey could enhance the quality and timeliness of the data for Guam.

The US Consumer Price Indexes produced by the US DOL BLS collect price information in select US cities, but not Guam. Guam funds and conducts its own consumer price index survey program with support from DOI for periodic market basket adjustments with the Household Incomes and Expenditures survey (HIES). Guam is presently conducting the HIES in efforts to update the consumer price index and contribute to the GDP for Guam. The last HIES was conducted in 2005 and there are new items that exist in the market that would need to be identified and classified. This project was made possible through technical assistance funding

from the Department of the Interior. US BLS technical and administrative support could make this program more precise and comparable with the US price indexes.

Increasingly a great deal of information exists in Government and private sector databases. Increasing the use of already collected administrative data should be a primary focus for tremendous improvements in quality and quantity of statistical data rather than imposing the costs and burdens of survey collected data.

A prime opportunity for this is with the CPI market basket updates. Instead of hundreds or thousands of households determining the quantity of goods consumed, the availability of comprehensive, electronically obtained trade import statistics would provide more accurate and timely adjustments to consumption patterns. This is a unique opportunity for the islands as virtually all of the major volumes of imports are documented at the ports of entry, air and shipping. Additionally updated price information could be obtained in mass electronically from various vendors, government and private without survey workers shopping for relatively few items to check their prices periodically. This would improve the real – inflation adjusted GDP figures.

Similarly, adding electronic income tax filing capacity beyond the basic forms would provide more current, more detailed information on the economy and serve as inputs for the GDP estimates. These items on the business tax form include wages, profits, expense rents and expense categories such as capital investments. Some of these items are not manually typed into the Tax computers as it is too expensive and not required for refund administration.

A US legislative mandate to task and fund the US Bureau of Economic Analysis (BEA) to produce GDP estimates for the Island Areas would produce institutional stability and consistency to the production of GDP estimates. Freeing up DOI funds could make them available to support technical improvements to the data production systems so that the statistical information inputs for these reports would be more accurate and timelier.

If a federal government agency was able to share or provide technical information or systems for secure, confidential, electronically reported and collected data to the Island Areas, that would assist expedite the transition from paper data collection through mail, fax, email, phone and personal visits. This would reduce the collection cost for respondents and the island areas. It would also avoid data entry costs and provide instant error checking and correction by pointing out missing or invalid items. The federal government has transitioned to such electronic web-based reporting systems for its own data collection with the Economic Census and with US BLS survey programs such as the Occupational Employment and Wage Statistics (OEWS) program.

These are just some of the examples and challenges that Guam and the territories face to make decisions based on limited information, resources and/or access to limited federal data sets. We agree that improved coordination and cooperation with the Office of the Chief Statistician of the United States is necessary to address this long-standing issue and ensure adequate representation of the U.S. Territories in federal data collection programs and statistical products. On behalf of Governor Lou Leon Guerrero, we look forward to working with federal agencies to address the data gaps and improve data collection efforts in the U.S. Territories.

Again, I thank the Chair and Ranking Member for the opportunity to appear before you today and I look forward to your questions.