

PROCEDURES FOR RESEARCHER ACCESS TO CONFIDENTIAL MICRODATA AT THE BUREAU OF LABOR STATISTICS*

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* For the latest information on researcher access to BLS microdata, see
<http://www.bls.gov/bls/blsresda.htm>

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The Bureau of Labor Statistics' (BLS) mission is to gather, produce, analyze, and disseminate information on economic statistics. The bulk of the economic data that BLS collects is from business establishments. Most BLS economic data are collected under a pledge of confidentiality. Since staff cannot conduct all necessary (and possible) analyses on the data that BLS collects, the agency sometimes relies on other researchers (non-BLS staff) to do such work. The risk of re-identifying confidential data collected from establishments limits the access to these data (for instance, public-use microdata files are rarely released). BLS has developed a set of procedures to enable access to confidential microdata on-site at its national office in Washington, D.C., for legitimate research purposes. This paper summarizes that process. A brief description of BLS's confidentiality policy is also included.

1. Introduction

BLS disseminates data in a variety of ways. For instance, macroeconomic data (such as tabular reports and time series data via the Internet) are used by a wide variety of researchers and organizations. While BLS releases some public-use microdata files on persons¹, it releases very few public-use microdata files on business establishments due to the risk of re-identifying respondents. While wide dissemination of public-use microdata sets on persons has yielded substantial benefits to data users, agencies, and society as a whole, similar returns have not been realized from data collected from businesses and other organizations; in fact, data collected from these

¹ BLS has three programs that distributed person-based public-use microdata files -- the National Longitudinal Surveys of Youth, the Consumer Expenditure Survey, and the Current Population Survey.

sources have been called an "underutilized resource" (Duncan et al., 1993, p. 200).

To enable the analyses of statistical data that cannot be released as public-use microdata, Federal statistical agencies have employed a variety of administrative procedures to allow for researcher access. Jabine (1993) called these 'restricted access' procedures since they restrict the conditions under which a researcher can obtain access to these data, and he described a broad cross-section of such procedures in a 1993 paper. One restricted access procedure that BLS has used is its ASA/NSF/BLS Fellows Program. Since its inception in 1987, the Fellows Program has enabled over 25 researchers to temporarily relocate to the BLS national office in Washington, D.C., and to conduct research and analyses on data that BLS collects. These analyses have been very useful. However, the Fellows Program has limitations and cannot fund all of the worthwhile research proposals. In July 1995, BLS formally adopted a standardized set of procedures to process requests from individuals who want to conduct research using confidential BLS microdata.

2. Confidentiality Policy

Before describing relevant activities, it is important to briefly review BLS' policy concerning confidential microdata. The Bureau's confidentiality policy is contained in Commissioner's Order 3-93, *Confidential Nature of BLS Records*. Section 7(a) states that data "...collected or maintained by, or under the auspices of, BLS under a pledge of confidentiality shall be treated in a manner that will assure that individually identifiable data will be used only for statistical purposes and will be accessible only to authorized persons" (BLS, 1993, p. 2).

The designation of "authorized persons" is defined in Section 8 of Commissioner's Order 3-93. This designation includes: individuals who need to use the data as part of their duties as BLS employees or contractors; State agency employees who are directly involved in BLS/State cooperative programs; employees of another Federal agency who are working on a joint program with BLS; and Federal employees

from other agencies who are serving as BLS agents in the conduct of BLS programs. Other individuals or organizations may be granted access to confidential BLS microdata only when authorized by the Commissioner for a statistical purpose that furthers the mission and functions of BLS.

3. Background

In 1993, the BLS Quality Council² chartered a Microdata Access Review Team to “[d]evelop a set of procedures to enhance access to confidential BLS microdata for legitimate statistical and research uses that further the mission and functions of BLS” (de Wolf, 1994). One of the Team’s major recommendations was to establish a unit in its national office in Washington, D.C., that would support projects by outside researchers using confidential BLS microdata. While a long-term goal of the Quality Council is to establish a centralized facility or facilities to accommodate researchers who are granted access to confidential BLS microdata, the costs involved in setting up such a research center (or centers) were determined to be prohibitive. Another alternative was needed and the Team was asked to develop such an alternative.

Based on the resulting work of the Team, BLS adopted a set of standardized procedures to process requests from researchers for access to confidential microdata. All BLS program offices are required to follow these procedures. Steps involved in the process can be divided into three phases: the application phase, the “on-site” phase, and the review phase.

4. Application Phase

There are three parts to the application phase:

Describing the proposed research: Each researcher must submit a written request that adequately describes the proposed research project. All use of confidential BLS microdata must occur on-site at BLS’s national office in Washington, D.C.

A request can be sent to a BLS program office or to the Commissioner. Each request is entered into BLS’s Controlled Correspondence System. Once a request is entered, the researcher will receive an

acknowledgment letter from the Commissioner stating that the request is being reviewed.

A written request should include a detailed plan describing the research, as well as the general time frame needed to conduct the research. Unless researchers are already familiar with BLS data, they should expect the application phase to take time in order to clarify the proposal. In particular, it may be necessary to interact several times with BLS staff to understand precisely what variables are collected by BLS and then incorporate this information into the proposal.

Evaluating the proposed research: One major task of BLS staff is to evaluate the research proposal. Once a formal request is received, a program office has 30 days to evaluate the proposed research, prepare a response to the request, and make a recommendation to the Commissioner whether or not to accommodate the request. The evaluation considers:

- the suitability of BLS data for the proposed research;
- an assessment of whether there is a conflict between the proposed research and the original pledge of confidentiality made to the respondents when these data were collected;
- whether the proposed research meets the criteria set forth in Commissioner’s Order 3-93, i.e., that the research project furthers the mission and functions of BLS and that confidential data are not being used for non-statistical purposes (which is clearly prohibited by this Order); and
- the costs involved in accommodating the request - especially the amount of staff time needed to assist the researchers as well as the staff and computer resources required to prepare and document the data files (some costs may be recovered from the researcher).

Depending on the nature of the proposed research, there may be several exchanges of letters and/or phone calls between the researcher’s initial request and BLS’ final decision. As noted earlier, a researcher may not clearly understand the limitations of the BLS data and may modify the proposal based on information provided by BLS staff. Another reason to modify a request would be that a researcher could not afford to pay BLS for recoverable costs involved in preparing a data file to accommodate the initial proposal.

² The Quality Council’s mission is to develop and guide the BLS management effort.

A recommendation to deny the proposed research must clearly state the rationale for the denial. The Commissioner reviews the BLS staff evaluation and makes the final decision on whether to accommodate or deny a request.

Completing institutional agreements: If a research proposal is approved, two documents must be completed before the researcher will be allowed on-site.

1. A Letter of Agreement (LOA) must be signed between a “high-level official” at the researcher’s organization and the BLS’ Commissioner. A “high-level official” is defined as someone who has the authority to “bind” the researcher’s organization, such as a Vice President, Provost, Center Director, or an official in a similar position. (Note that the signature of the Chair of a university department is not accepted.) The LOA contains provisions concerning the confidentiality and security of BLS data. The researcher and his/her employer must agree to abide by the terms of the LOA.
2. Each researcher who is granted access to confidential BLS microdata must sign a “BLS Non-disclosure Affidavit” acknowledging that he/she has read, and understands, the BLS confidentiality policy as stated in Commissioner’s Order 3-93.

Once a proposal is accepted by BLS, there could be other delays caused by the researcher’s organization. Getting approval from BLS to come on-site to conduct research is only half the battle, so to speak. Remember that the official agreement is between the researcher’s institution and BLS’ Commissioner. (For example, one organization would not agree to sign the LOA for one of its post-doctoral fellows and put a halt to the process. In another instance, a university had its legal office review the LOA and this took additional time.)

5. Working On-site at BLS’ National Office

Maintaining the confidentiality of the data that it collects is of paramount importance to BLS. Program offices are required to take stringent security precautions. Researchers must be diligent and follow these required procedures. Several of the possible precautions are listed in the LOA and include:

- accessing confidential data only at the BLS national office in Washington, D.C.;
- not removing tapes, CD-ROMs, diskettes, etc., containing confidential information from BLS;
- not linking the confidential data with individually identifiable records from any BLS or non-BLS data set (unless such a linkage has been approved);
- not using the confidential information for the purpose of identifying respondents in any way;
- following strict computer security procedures (for example, researchers can have access to only those data elements needed to complete their projects, cannot have access to the Internet while at BLS, and may be required to follow special procedures if their research involves the use of large data sets); and
- being required to sit in a “secure area” while at BLS.

These precautions may seem strict to researchers who are used to having flexibility in how they do their analytic research, when they do it, and where it is done. For instance, many professors work at home and are quite used to carrying diskettes of data back and forth from the office to home. This is not allowed when they do research at BLS. Individuals who want to conduct research at BLS need to be aware of these limitations.

6. Review of Final Products

Researchers must present their final written reports to BLS for a confidentiality review. This consists of reviewing the analyses for breaches of confidentiality and it does not entail review of conclusions or findings.

It is difficult to generalize exactly the steps taken in a confidentiality review since each BLS program has its own set of rules and procedures regarding statistical methods used to limit disclosure. As a first step such a review would include the rules already used to limit disclosure. Additionally, the LOA requires the researcher to:

- avoid direct or indirect disclosure of respondents or the confidential data they have reported (it notes that particular attention should be paid to tables containing cells with a small number of respondents);

- not disseminate or share any aggregate or summary data with non-authorized persons prior to the confidentiality review;
- provide BLS with copies of reports, papers, etc., based on the confidential information; and
- have all reports that use confidential information reviewed by BLS prior to publication or release to non-authorized persons.

7. Summary

One observation concerning the research proposals that have been processed during the past few months is that it takes much more time than anyone might expect. It takes time to refine the proposal. It takes time to process a LOA, especially when it involves legal/contracting officers at the researcher's organization. BLS staff have responsibility to process data to meet publication deadlines and this responsibility takes precedence over processing researcher requests. Often the documentation necessary to analyze BLS databases is not in a "researcher-friendly" format and this causes delays.

BLS considers this to be an evolving process. As the number of approved researcher requests increases and more databases are accessed, one of the benefits would be the continued development of "researcher-friendly" documentation and databases. Of course, many of the analyses conducted by researchers are valuable in-and-of-themselves.

This could be called a "centralized, decentralized" approach. It is centralized because all program offices must follow the same procedures when handling each request. It is decentralized because the program office responsible for the microdata reviews the application and makes the assessment about the suitability of the proposed research. Obviously, a centralized unit would make some aspects of this process easier; for example, security precautions would no longer be a concern of the program office.

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Author's Notes: (1) The views expressed in this paper are those of the author and do not necessarily represent those of the Bureau of Labor Statistics. (2) Copies of BLS documents referenced in this paper (Letter of Agreement, Non-disclosure Affidavit, and Commissioner's Order 3-93) can be obtained from: BLS, Division of Management Systems, Room 3255, 2 Massachusetts Ave., N.E., Washington, D.C. 20212-0001. Phone: 202-606-7628.