

# CIPSEA and the Handling of Confidential Information in the Federal Statistical System

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*Views expressed are those of the author and do not represent the policies of the Office of Management and Budget*



# Overview

- Purposes of CIPSEA
- Key Issues and Requirements in OMB's Implementation Guidance for CIPSEA
  - How Statistical Agencies can use CIPSEA
  - CIPSEA Requirements



# Overview of U.S. Federal Statistical System

- The U.S. decentralized statistical system includes about 100 agencies conducting statistical activities.
- A substantial portion of official statistics are produced by thirteen agencies.
  - Account for approximately 40 percent of resources dedicated to Federal statistical work (or about \$2 billion annually).



# What is CIPSEA?

- Confidential Information Protection and Statistical Efficiency Act of 2002
  - Title V of the E-Government Act
  - Public-Law 107-347
- Subtitle A. Confidential Information Protection
- Subtitle B. Statistical Efficiency



# What is CIPSEA?

## Subtitle A. Confidential Information Protection

- Purposes:
  - strengthen and foster public trust in pledges of confidentiality
  - prohibit disclosure in identifiable form
  - control access to and uses made of statistical information
  - ensure that information is used exclusively for statistical purposes



# What are the Benefits of CIPSEA?

- Uniform protection across agencies
- Coverage of all data collected for statistical purposes under a pledge of confidentiality
- Strong penalty for disclosure: \$250,000 fine and/or five years in prison
- Exemption from FOIA requests
- Does not restrict or diminish any other confidentiality protections
  - stronger or more restrictive<sup>6</sup> provisions remain



# OMB CIPSEA Implementation Guidance

- The Director of OMB is charged with coordinating and overseeing confidentiality and disclosure policies
  - may promulgate rules or provide guidance
  - shall review rules proposed by agencies
  - designated statistical agencies shall report to the Director annually.
  - summary of actions will appear in the annual report to Congress (the “Blue Book”).
- Final Guidance published in *Federal Register* on June 15, 2007



# Key Issues Addressed in the Proposed Implementation Guidance

- Is the information used for statistical or nonstatistical purposes?
- Is the agency a statistical or nonstatistical agency?
- What are the requirements for using CIPSEA?



# Statistical versus Nonstatistical Purposes

- Statistical purpose means the description, estimation, or analysis of the characteristics of groups, without identifying the individuals or organizations that comprise such groups
  - includes development, implementation, or maintenance of methods or procedures to support these purposes



# Statistical versus Nonstatistical Purposes

- Nonstatistical purpose means a use in identifiable form that affects the rights, privileges, or benefits of a respondent
- CIPSEA protection applies only to information acquired under a pledge of confidentiality for exclusively statistical purposes



# Statistical Agencies

- An agency or organizational unit of the executive branch whose activities are predominantly the collection, compilation, processing, or analysis of information for statistical purposes.
- OMB determines whether an agency or unit can be considered a statistical agency or unit for purposes of CIPSEA.



# OMB Recognized Statistical Agencies or Units

- Bureau of Economic Analysis
- Bureau of Justice Statistics
- Bureau of Labor Statistics
- Bureau of Transportation Statistics
- Census Bureau
- Center for Behavioral Health Statistics & Quality, SAMHSA
- National Center for Science and Engineering Statistics, NSF
- Economic Research Service
- Energy Information Administration
- Microeconomic Surveys Unit, Federal Reserve Board
- National Agricultural Statistics Service
- National Center for Education Statistics
- National Center for Health Statistics
- Office of Research, Evaluation, and Statistics, SSA
- Statistics of Income Division, IRS



# How Can Statistical Agencies Use CIPSEA?

- Statistical agencies can use CIPSEA to protect information they acquire directly from respondents, including state and local governments
- **Only** statistical agencies can designate agents to perform exclusively statistical activities (including data collection) subject to CIPSEA limitations and penalties



# How Can Statistical Agencies Use CIPSEA?

- Under CIPSEA, a statistical agency or unit **may** designate as an agent any of the following:
  - an employee of a private organization or a researcher affiliated with an institution of higher learning;
  - someone who is working under the authority of a government entity;
  - someone who is a self-employed researcher, a consultant, a contractor, or an employee of a contractor; or
  - someone who is a contractor or an employee of a contractor, and who is engaged by the agency to design or maintain the systems for handling or storage of data received under this title.



# How Can Statistical Agencies Use CIPSEA?

- Statistical agencies or units designating agents must do so through contracts or other agreements that require the agent to agree in writing to comply with all provisions of law that affect information acquired by that agency.
  - Subject to criminal penalties for violations.
- Any statistical agencies or units that designate agents shall exercise supervision and/or control of the agents to ensure the confidentiality and appropriate use of the information.



# CIPSEA Requirements

- Inform the respondents about the confidentiality protection and use of the information
- Collect and handle confidential information to minimize risk of disclosure, including following all IT systems security requirements and properly training employees
- Ensure the information is used only for statistical purposes
- Review information to be disseminated to prevent identifiable information from being reasonably inferred by either direct or indirect means
- Supervise and control agents who have access to confidential information (if<sup>6</sup> applicable)



# CIPSEA Requirements

- Inform respondents
  - Pledge to keep the information confidential using “CIPSEA pledge”
  - Pledge that the information will only be used for exclusively statistical purposes



# CIPSEA Requirements

- Guidance provides minimum standards for safeguarding confidential information covered by CIPSEA including:
  - Physical and IT Systems Security
  - Confidentiality Training
  - Review of Information Prior to Dissemination



# CIPSEA Requirements

- Physical and Information Systems Security
  - Establish appropriate administrative and technical safeguard to ensure security of all media containing confidential information
  - Assess and secure information and information systems in accord with FISMA
    - Requirements vary depending upon sensitivity of the information.



# CIPSEA Requirements

- Confidentiality Training
  - All individuals who have access to confidential information
    - Must have a current understanding of confidentiality rules and procedures
    - Shall be recertified annually to ensure their understanding



# CIPSEA Requirements

- Review of Information Prior to Dissemination
  - Any dissemination of information based on confidential information shall be done in a manner that preserves the confidentiality of the information
  - Agencies shall review information products prior to public release for disclosures
  - Agencies shall apply appropriate statistical disclosure limitation techniques to preserve the confidentiality of the information



# CIPSEA Requirements

- Review of Information Prior to Dissemination
  - Agencies are referred to Statistical Policy Working Paper #22, *Report on Statistical Disclosure Limitation Methodology*
  - Also other resources from the Federal Committee on Statistical Methodology's Confidentiality and Data Access Committee
  - Need to take into account the sensitivity of the information.



# CIPSEA Requirements

- Requirements and Guidelines for Statistical Agencies Designating Agents
  - Requirements for written agreements
  - Physical and IT systems security on and off-site
    - Including requirements for off-site inspections
  - Confidentiality training requirements
  - Disclosure review of information products



# For more information

- Go to:  
[http://www.whitehouse.gov/omb/inforeg\\_statpolicy/](http://www.whitehouse.gov/omb/inforeg_statpolicy/)
  - click on “Statistical Confidentiality”
- contact: Brian Harris-Kojetin at
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  - 202-395-7314

