Comments on:
“Future Direction of the Regional Accounts”

Heather Stephens, Ph.D.
BEA Advisory Committee Meeting
May 13, 2022
Overall Comments

• I commend the regional directorate for its ongoing commitment to the expansion of regional data
  o And to more timely release of such data

• When thinking about your stakeholders,
  o You might also think about the myriad of federal programs that use combinations of regional statistics to identify eligibility
    ▪ For example: to measure “distress” and identify places most in need of grant or other assistance

• I am especially interested in the new efforts to expand access to data through use of synthetic data and differential privacy protection
  o As this may allow researchers (and others) to have more regional data without sacrificing privacy protections
Overall Comments

• These other efforts are also moving in the right direction to expand access to regional data:

  o Data science and alternative data sources
    ▪ Applications for QCEW microdata (firm-level data)
    ▪ Alternative data sources from payroll processors, credit card intermediaries, and budgeting service providers
      □ Partnering with Opportunity Insights, the Census Bureau, and the Bureau of Labor Statistics
    ▪ Alternative methods such as machine learning, nowcasting, and hierarchical modeling
  o Migration of all production procedures to Python programming language, 2024-2025
  o Research Efforts
Specific Comments/Recommendations

• Overall, more data are needed at the sub-state level overall.
  o I’ll now turn to suggestions based on current data efforts based on my own experience and discussions with others

• Can you create a version of Regional Price Parities (RPPs) that are available for non-metro counties or non-metro areas of states?

• With the new work on state income distributions and income inequality statistics,
  o Could you provide data on the county-level distribution within the states?
    ▪ Many states may have high-income and low-income geographies that are masked by the state-level measures
Specific Comments/Recommendations

• The distribution of R&D is also likely to vary within states
  o Even if much of the detail is missing, could you provide some measures at the county level?

• Increase transparency and data with the regional input-output (I/O) Tables that are used by researchers but also by local and state governments who are estimating the impact of new economic activity.
  o Provide employment by industry with the Input-Output (I/O) Tables
    ▪ Those who use them attempt to create their own measures, but they are probably wildly inaccurate
  o Add a disclosure to the I/O Tables with redefinitions and reallocations as they will not match up with employment measures based on the before redefinition and reallocation tables
Specific Comments/Recommendations

• What other data could be provided at the sub-state level?
  o Perhaps due to the use of differential privacy or alternative data sources

• Finally, I know regional has generally stopped at the county level,
  o I urge you to consider sub-county measures
  o These are necessary to understand that heterogeneity that can exist within counties
  o Can also help better target funding (especially in terms of the programs I mentioned that target distress)
Thank you for the opportunity to provide feedback on the important work that BEA is doing to enhance regional data.

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