

October 15, 2007

## **CENSUS NEWS BRIEF**

### **CENSUS DRESS REHEARSAL UP-IN-THE-AIR, AS TEMPORARY FUNDING BILL CREATES BUDGET CRUNCH**

**PLUS:** *Senate considers 2008 appropriations bill; Census director nominee awaits confirmation hearing; 2010 communications contract awarded; and more.*

Plans for the 2008 Census Dress Rehearsal are up-in-the-air after Congress passed, and the President signed, a temporary funding measure (Public Law 110-92) that leaves the Census Bureau operating at 2007 funding levels until November 16, when the stop-gap Fiscal Year 2008 (FY2008) Continuing Resolution (CR) runs out. The President's 2008 budget request of \$1.23 billion for the Census Bureau is 38 percent higher than the 2007 funding level of \$893 million; the requested increase for 2010 census preparations alone is almost 50 percent greater than the 2007 funding level.

With final preparations for the 2008 Census Dress Rehearsal underway, and only weeks to go before the start of the 2007 Economic Census, the Census Bureau is struggling to pay for critical activities since the new fiscal year started on October 1st without a full-year Commerce, Justice, and Science Appropriations bill in place. Members of Congress involved with census funding and oversight say that the short term funding gap will force the Census Bureau to drop group quarters enumeration at Fort Bragg (NC) from the dress rehearsal, delay critical tests of new data collection systems for 2010, reduce address updating assistance to state and local governments by Regional Census Centers, and delay the start of the 2010 Census Communications Campaign contract.

The dress rehearsal is designed to replicate an actual census, with similar preparations, methods, promotional activities, and schedules. Local census offices in the two dress rehearsal sites – San Joaquin County, CA, and nine counties surrounding Fayetteville, NC – are open, with hiring and training of census enumerators underway. Census forms must be mailed in March to ensure an accurate evaluation of census-like conditions. Congressional staff who have met with Census Bureau officials say that the agency likely would cancel the entire dress rehearsal, and cancel plans to use handheld computers for field data collection, if funding at 2007 levels continues after November 16. Congress would have to pass another CR to keep the federal government running if 2008 appropriations bills are not enacted by that date.

The Local Update of Census Addresses (LUCA) program, another key component in census preparations, is currently underway and must be finished before nationwide address canvassing begins next year. 2007 Economic Census forms must be mailed in December; federal law mandates the survey of most business establishments in the United States every five years.

In an October 11 letter, members of the Census Bureau's oversight and funding committees asked Commerce Secretary Carlos Gutierrez to immediately transfer \$7 million from the department to the bureau, citing limited transfer authority included in a provision of the Continuing Resolution. This "modest amount," the lawmakers wrote, would help keep 2010 census preparations on schedule and reduce part of a \$59 million gap in short term funding caused by the CR. The letter cites "the Office of Management and Budget's (OMB) failure to request an exception from the flat line funding levels" in the CR as the cause of the bureau's current "funding crisis."

Six members of the House Committee on Oversight and Government Reform and the Appropriations Committee also wrote to OMB Director Jim Nussle on October 2, expressing "extreme concern and disappointment" that the President had not requested an exception for the Census Bureau from the spending limits in the Continuing Resolution. The legislators noted that the bureau had been granted exceptions in temporary funding bills in years leading up to previous censuses, including in 1998 and 1999. They urged Mr. Nussle to help the Census Bureau avoid delays or reductions in census preparations. In his response, the director said the Administration's goal "is to conduct a highly accurate count of the population in 2010" and that its support for the Census Bureau was reflected in the President's budget request for FY2008. He chided Congress for not passing a "fiscally responsible" 2008 Commerce, Justice, and Science Appropriations bill before the start of the fiscal year. The Census Bureau must focus on its highest priority activities in the short term, Director Nussle said, adding that OMB "is supporting the Bureau's efforts by providing as much flexibility in the availability of resources as possible under the law."

The Census Project also sent a letter last week to Secretary Gutierrez, urging him to transfer funds to the Census Bureau to avoid any disruption of census preparations or delay in launching the Economic Census. The Census Project is a coalition of organizations representing state and local governments, civil rights advocates, housing interests, children and senior citizens, professional scientific disciplines, and other census stakeholders. Participating groups include the U.S. Conference of Mayors, National Association of Counties, Leadership Conference on Civil Rights, Population Association of America, Japanese American Citizens League, National Low Income Housing Coalition, National Council on the Aging, and many others. A copy of the Gutierrez letter and other project information is available at [www.thecensusproject.org](http://www.thecensusproject.org).

The House Subcommittee on Information Policy, Census, and National Archives, chaired by Rep. William "Lacy" Clay (D-MO), will hold a hearing on Tuesday, October 16, at 10:00 AM in Room 2154 Rayburn House Office Building, to explore the effect of the Continuing Resolution on planning for the 2010 census. The funding gap created by the temporary spending bill has implications for the Dress Rehearsal, the use of handheld computers for field activities,

opening and staffing Census Regional Offices in 2008, and implementation of the recently awarded communications contract. Senior Census Bureau and Commerce Department officials are expected to testify; the subcommittee also has invited OMB Director Jim Nussle.

**Senate considering 2008 Commerce funding bill:** The U.S. Senate continues consideration this week of the FY2008 Commerce, Justice, and Science Appropriations bill (S. 1745), which funds the Census Bureau.

The Senate Appropriations Committee approved S. 1745 in July. Appropriators allocated \$1,248.1 million for the Census Bureau, roughly \$18 million above the President's request. The \$226.2 million earmarked for the bureau's Salaries and Expenses (S&E) account includes \$26 million more than requested to continue the Survey of Income and Program Participation (SIPP), which the committee said would ensure a sample size of 45,000 in 26 states. The bill provides \$1,020.4 million for Periodic Censuses and Programs (the second main Census Bureau account), \$7 million below the President's request. The committee said in its report that it was not funding the American Community Survey Methods Panel, citing concerns expressed by the Government Accountability Office about the program's costs and plan.

The House of Representatives passed its version of the funding measure (H.R. 3093) in late July. The House bill allocates \$1,222.2 million for the Census Bureau, roughly \$8 million less overall than President Bush's request of \$1,230.2 million. House appropriators restored \$19 million to the request for the bureau's S&E account, to continue the SIPP, and added \$13 million to the Periodic Censuses account for the 2010 census partnership program.

However, the appropriations committee also approved an amendment offered by Rep. Mike Honda (D-CA) and Rep. John Carter (R-TX) that shifted \$30 million from the Census Bureau to a Justice Department program that helps states pay for incarcerating undocumented residents. The full House of Representatives subsequently approved an amendment offered by Rep. Shelley Moore Capito (R-WV) that shifted \$10 million from the Periodic Censuses account to the Office of Justice Programs. According to the Census Bureau, consequences of these funding cuts include abandoning plans to improve measurement of service industries, eliminating several economic surveys and reports, eliminating the Survey of Business Owners and Self-Employed Persons (part of the Economic Census), scrapping the Economic Census in Puerto Rico and U.S. territories, and dropping plans to "geo-code" unassigned addresses to census blocks before nationwide address canvassing starts.

The Administration has already announced its opposition to the 2008 Commerce funding bill working its way through Congress, saying in a July Statement of Administration Policy that, "in combination with the other FY2008 appropriations bills, it includes an irresponsible and excessive level of spending" and would draw a presidential veto in its current form.

**Likely 2010 census cost rises slightly:** The 2010 decennial census will cost \$11.526 billion (\$11.8 billion in constant 2010 dollars), according to a new estimate of "lifecycle" costs prepared by the Census Bureau. The estimate is 2.4 percent more than the previous estimate of \$11.255 billion released in June 2006. Lifecycle costs include research and

development, planning, preparation, implementation, and data release activities running from 2001 through 2013. The 2000 census lifecycle cost was \$8 billion in constant 2010 dollars (about \$6.5 billion in nominal year dollars).

The estimated cost per housing unit for the 2010 count is \$90.8, compared to \$68.2 in 2000 and \$38.5 in 1990. The Census Bureau cited growing resistance to answering surveys, complexity in counting a larger and more diverse population, and increased immigration and language diversity as factors contributing to the higher cost of taking a census.

**Census Director nominee awaits hearing in Senate:** Still pending before the Senate Committee on Homeland Security and Governmental Affairs is the nomination of Dr. Steven H. Murdock to be Census Bureau director. Knowledgeable congressional sources indicate that the committee is likely to hold a confirmation hearing in early November, with Sen. Tom Carper (D-DE), chairman of the Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security (which oversees Census Bureau programs), chairing. (Sen. Joseph Lieberman, D-CT, and Sen. Susan Collins, R-ME, are the chairman and ranking minority member, respectively, of the full committee.)

The current Census director, Charles Louis Kincannon, announced his resignation last November, saying he would step down after a new director is confirmed. President Bush nominated Dr. Murdock, the Texas State Demographer, in June. Dr. Murdock is a professor and holds the Lutcher Brown Distinguished Chair in Demography at the University of Texas at San Antonio (UTSA); he previously taught in the Department of Rural Sociology at Texas A & M University. Dr. Murdock directs the Institute for Demographic and Socioeconomic Research and heads the Texas State Data Center at UTSA. He holds a Ph.D. in Demography and Sociology and has authored many research articles and technical reports on the implications of current and future demographic and socioeconomic change, according to his biography.

Mr. Kincannon welcomed Dr. Murdock's nomination, calling him "an outstanding and effective collaborator in our mission. ...[H]e will make a superb director as we move into the final stages of preparation for the 2010 census." Census stakeholder groups also have expressed support for Dr. Murdock. The National Association of Latino Elected and Appointed Officials (NALEO) Educational Fund, in a letter to members of Congress, called the nominee "eminently qualified," citing his professional accomplishments and "deep appreciation of the need to develop accurate and relevant data that will enhance our understanding of the implications of America's changing demographics... ." The Population Association of America and Association of Population Centers, in a joint letter to Senate committee leaders, noted Dr. Murdock's experience as an administrator and researcher and urged the Senate to confirm the nominee quickly.

**Census Bureau awards 2010 ad contract:** The Census Bureau awarded a contract for the 2010 Census Communications Campaign, worth an estimated \$200 million, to DRAFTFCB of New York, part of the Interpublic Group of communications companies. DRAFTFCB will head a team that includes advertising agencies with expertise in reaching minority

populations: Global Hue (Black and Hispanic audiences); IW Group (Asian and Native Hawaiian and Pacific Islander audiences); G&G (American Indian and Alaska Native audiences), and Allied Media (other emerging audiences). Companies bidding on the contract were asked to include small businesses in at least 40 percent of their proposed work for the 2010 census.

The Census Bureau said the communications campaign would help increase mail response, improve public cooperation with census takers, and generally help boost accuracy and reduce the differential undercount. The effort will encompass advertising, partnerships, and media relations.

**Census advisory committees to meet jointly:** The 2010 Census Communications Campaign will be the focus of a joint meeting of the Census Bureau's advisory committees on October 18-19. The five Race and Ethnic Advisory Committees, 2010 Census Advisory Committee, and Census Advisory Committee of Professional Associations will meet at the bureau's Suitland, MD, headquarters on October 18 from 1:00 – 5:30 PM, and on October 19 from 8:30 AM – 4:45 PM. Topics for discussion include identifying effective messages and ways to convey them, audience segmentation, and the role of advisory committees in communications efforts. Participants will include senior Census officials and the chairman of DRAFTFCB, the communications campaign contractor for Census 2010. The advisory committee meeting is open to the public.

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