WHY WE NEED THE U.S. CENSUS BUREAU’S
AMERICAN COMMUNITY SURVEY
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- The American Community Survey (ACS) is the nation’s only source of comparable (across geography), consistent (across time), timely (updated annually), high quality demographic and socio-economic data for all communities in the country.

- The ACS is the modern version of the census “long form.” It replaced the sample census form in 2005, at the urging of Congress. Because the ACS is part of the constitutionally required census, response is required by law (13 U.S.C. §214) to encourage participation, maintain high response rates, and control costs. The accuracy and availability of the data for all communities in the U.S. depends on it.

- Congress allocates more than $415 billion annually in federal assistance to states and localities (representing more than two-thirds of all federal grant funding) based on ACS data. There is no other source for these data! A majority of states also use ACS data to set tax and spending limits. Without the ACS, the Census Bureau would need to restore the long form to meet program data requirements set by Congress, as well as state and local government needs.

  - A bargain: The annual cost of the ACS is less than one one-thousandth of a percent of the federal dollars allocated to America’s states and localities based on objective, reliable data.

  - Inadequate funding: The Census Bureau has requested $257 million for the ACS in FY2016, a modest increase of $15 million for interviewer training, restoration of data collection lost during the October 2013 government shutdown, and improved data quality and data products. A significant cut to the ACS budget will force the Census Bureau to cut the survey sample size, making it impossible to produce reliable data for a majority of U.S. counties, rural and remote areas, small cities and towns, American Indian reservations, and neighborhoods.

  - Voluntary response (Canada’s experience): Canada’s recent experience with a voluntary census long form (now the National Household Survey, or NHS, administered every five years) has been an unmitigated disaster. The overall response rate dropped from 94 percent to under 69 percent, increasing costs by $22 million as Statistics Canada increased the sample size to make up for lower response. (In other words, more households received the survey.) Nevertheless, due to high and unrepresentative response rates, Statistics Canada could not produce reliable socio-economic estimates for 25 percent of all “places” in the nation — mostly small communities and rural areas. About 12% of communities had response rates below 50 percent. Experts have described the data on income as not usable for business and policy purposes. Essentially, Canada spent more money to achieve a worse outcome.

    - StatsCan published NHS data for only 75 percent of its roughly 4,500 smaller areas (census subdivisions, or CSDs). That figure ranges from data published for 100% of CSDs in the Northwest Territories to only 57% of CSDs in Saskatchewan. Except for the Northwest Territories, however, StatsCan published data for 85% or less (down to the Saskatchewan number) of CSDs in the remaining 12 provinces.
According to the Toronto Globe and Mail, the Canadian Chamber of Commerce, Canadian Federation of Independent Business, Canadian Association of Business Economics, Restaurants Canada, and other prominent business groups are now calling for reinstatement of the mandatory census long form in 2016, saying the data from the voluntary survey is adversely affecting their ability to understand demographic and economic trends and to make informed business decisions.

**Voluntary response (Census Bureau test):** A congressionally ordered 2003 test (and subsequent analysis) of voluntary ACS response showed that mail response rates would plummet (by at least 20 percent) and survey costs would increase dramatically (+$90-$100 million a year). Data reliability, especially for small communities and less populous areas, also dropped. The Census Bureau likely would be unable to produce usable data for more than 40 percent of all U.S. counties, or for small cities, towns, neighborhoods, and American Indian reservations, if response to the ACS were voluntary.

A mandatory ACS actually reduces the burden of essential data collection on the public. That’s because the Census Bureau would have to send the survey to more Americans to maintain a representative sample in the face of falling self-response rates, to produce valid data, if response were voluntary.

**An economic growth driver:** Without the ACS, American businesses would lose vital tools to guide capital investment, location of facilities, hiring, and merchandise and service decisions, all of which drive economic growth, job creation, and sustained business success. Elected leaders and public officials would lose a roadmap for prudent allocation of limited fiscal resources, and information with which to monitor the progress of communities and success of public investments. And non-profit institutions would not have data that illuminate populations and neighborhoods in need of a helping hand.

**Alternative sources of data:** Some lawmakers have suggested that the business community could, and should, collect and produce the data the ACS currently provides. This is simply not a viable alternative. The private sector cannot replicate the quality and breadth of data the Census Bureau produces for every community in the country, no matter the size; in fact, the ACS is the denominator for most public and private sector surveys. ACS data are available to all Americans and American businesses, regardless of economic means, to help support community and business decision-making and to hold government accountable.

**Data privacy:** Recent data breaches at major U.S. companies and government agencies understandably have given Americans pause about the security of their personal information. Fortunately, the Census Bureau operates under the strongest confidentiality provisions on the books. The bureau cannot share any personal information about you, your family, or your home with anyone — not other government agencies or officials (federal, state, or local), including for law enforcement and national security purposes; not under court order; not with businesses. The Census Bureau has never violated the provisions of its governing law. The census and ACS do not even ask for social security numbers.

The Census Bureau takes seriously congressional concerns about the response burden on the public. The bureau is conducting a top-to-bottom review of ACS content and field procedures, to ensure that only questions required to implement federal laws and regulations are asked in the survey and that survey takers contact reluctant households by telephone or in person only a few times. Members of Congress can share any concerns about ACS questions with the Census Bureau during this process. The bureau will submit the proposed ACS content to Congress by April 1, 2017, as required by law.