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(Revised version)

CENSUS NEWS BRIEF

PRESIDENT SENDS FY2009 BUDGET TO CONGRESS

President Bush sent his detailed Fiscal Year 2009 (FY09) budget proposal to Congress on February 4, setting in motion the process for funding federal programs starting October 1, 2008. The budget seeks **\$2.635 billion for the Census Bureau**, doubling this year's appropriation of \$1.26 billion. The projected "life cycle" cost of the 2010 census is \$11.5 billion; historically, about half of the total census cost is spent in the census year alone.

In a statement on the President's budget, Commerce Secretary Carlos Gutierrez said the increase requested by the Administration "will go towards improving the accuracy of map features, continuing the annual American Community Survey and implementation of early 2010 Decennial Census operations." The overall request of \$8.18 billion for the Commerce Department, the Secretary said, "will further our goals of promoting economic growth, measuring American life, enforcing our trade laws, promoting innovation, predicting the weather and protecting our environmental resources such as our oceans."

The Secretary's comments reflect the wide range of diverse interests served by the department's 12 agencies, which to some extent must compete with each other for funding during the appropriations process. The entire requested increase in discretionary spending for the Commerce Department over Fiscal Year 2008 (FY08) would go to the Census Bureau. The Administration has proposed scaling back or eliminating several other department programs, including the Manufacturing Extension Partnership Centers, industrial technology programs, Economic Development Administration grants, and the Pacific Coastal Salmon Recovery program, all of which have supporters in Congress.

2010 census: The Administration requested **\$2.143 billion for the 2010 census**, an increase of \$1.35 billion over the FY08 allocation of \$797 million. In 2009, the Census Bureau will:

- open and staff 150 "early" local census offices;
- canvass all neighborhoods and rural areas to verify addresses (on the Master Address File) and geographic locations (in the TIGER system);
- finalize data capture, data processing, and telecommunications systems;
- print hundreds of millions of census questionnaires and other forms;

- develop a national advertising campaign; and
- hire additional national and regional staff to oversee field operations.

The American Community Survey (ACS) will continue nationwide, as this replacement for the traditional census long form moves closer to providing the first demographic, economic, and housing characteristics data for areas as small as census tracts and block groups in 2010, based on five years worth of data collection for households (2005 – 2009). (The ACS did not include group quarters, such as college dorms, prisons, and military barracks, until 2006; the first five-year ACS estimates will include group quarters data from 2006 – 2009 and incorporate an additional year of data using statistical methods.) The President’s FY09 budget does not specify the amount of 2010 census funds to be used for the **ACS**. Congress allocated **\$182 million** for the survey of three million housing units annually in 2008.

Next year, the Census Bureau will conduct a 100 percent “pre-canvass” of all housing units nationwide, to verify and update final address lists and ensure correct geo-coding. State and local governments are completing reviews of the address lists for their communities this year as part of the Local Update of Census Addresses (LUCA) program. The bureau will verify LUCA submissions in 2008 before census workers fan out across the country in 2009 for the important canvassing operation.

Funding for the decennial census is part of the Periodic Censuses and Programs (“Periodics”) account, one of two main funding categories for the Census Bureau. The President’s budget seeks **\$2.366 billion for Periodics** in FY09, an increase of roughly \$1.34 billion over the FY08 \$1.027 billion allocation. The Periodics account covers activities related to the census, intercensal population estimates, and other cyclical programs such as the Economic Census and Census of Governments.

Economic statistics: In 2009, the Census Bureau will tabulate and publish data from the 2007 Economic Census. The data is collected in 2008, reflecting 2007 activities and information. The President requested **\$119 million for the Economic Census**, a decrease of \$9 million from 2008, to continue data editing and review and product preparation. The Economic Census, funded through the Periodics account, covers the manufacturing, mining, retail and wholesale trade service, construction, and transportation industries. Along with the Census of Governments, it is taken every five years, in years ending in “2” and “7.” 2009 is the fifth year of the six-year Economic Census cycle.

The second main funding category for the Census Bureau is **Salaries and Expenses** (S & E). The S & E account covers ongoing surveys, including the Survey of Income and Program Participation (SIPP) and Quarterly Financial Surveys, to collect important demographic, economic, and social data. The budget proposes **\$269 million for Salaries and Expenses**, a modest increase of \$36 million over this year’s funding level for discretionary programs. (The S & E request includes an additional \$30 million in mandatory spending for surveys on income and health insurance required by federal law.)

The Administration’s S & E request includes an **\$8.1 million initiative to improve economic statistics** by providing quarterly and annual coverage of all 12 service sectors

through the Quarterly Services Survey. Congress eliminated funding for the service sector initiative in final negotiations over the FY08 appropriations bill late last year.

The President also requested **\$45.7 million to continue the SIPP** with a sample of 45,000 households, beginning in September 2008.

Bureau of Economic Analysis: The Census Bureau is one of two statistical agencies under the Commerce Department's Economic and Statistics Administration (ESA). The second agency, the **Bureau of Economic Analysis (BEA)**, produces key economic statistics, including Gross Domestic Product, that support U.S. monetary and fiscal policies, trade negotiations, business planning, and personal savings and investment decisions. The President asked for **\$91 million for BEA and ESA** in FY09. The requested increase of \$11 million would be used, in part, to develop improved measures of the health care sector (\$3.2 million) and to continue an initiative to measure investment in research and development and other knowledge-based activities, for inclusion in the GDP by 2013 (\$2.5 million). The request will allow BEA "to continue to produce and expand vital economic data."

Congressional appropriations process: In the coming weeks and months, the House and Senate Committees on Appropriations will hold hearings and "mark-ups" to consider the Administration's budget request and to propose their own funding levels for federal departments and agencies. The Appropriations Subcommittees on Commerce, Justice, and Science have jurisdiction over the Census Bureau and Bureau of Economic Analysis.

House Committee on Appropriations

Subcommittee on Commerce, Justice, Science, and Related Agencies

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Pete Domenici (NM)
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Kay Bailey Hutchison (TX)
Sam Brownback (KS)
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Editor's note: This *Census News Brief* is based on preliminary information released about the President's Fiscal Year 2009 budget request. We will share more detailed information about the Census Bureau's plans for 2009 as it becomes available in the coming days and weeks.

Census News Briefs are prepared by Terri Ann Lowenthal, an independent legislative and policy consultant. Ms. Lowenthal is a consultant to the nonpartisan Census Project, organized by the Communications Consortium Media Center in Washington, DC. All views expressed in the News Briefs are solely those of the author. Please direct questions about the information in this News Brief to Ms. Lowenthal at TerriAnn2K@aol.com. Please feel free to circulate this document to other interested individuals and organizations. Previous Census News Briefs are posted at www.thecensusproject.org.