

AMERICAN COMMUNITY SURVEY *FACT SHEET*

How the Census Bureau's Largest Sample Survey Benefits America's Rural Communities

Background:

The U.S. Census Bureau's **American Community Survey (ACS)** is part of the constitutionally required decennial census. While the census counts the population every ten years, the ACS (which replaced the traditional census *long, or sample, form* in 2005) provides more detailed information about the nation's states, counties and cities, towns and rural communities every year, giving policymakers a unique, irreplaceable and timely tool to understand and address the nation's needs. The **ACS** samples 3.5 million homes (2.6 percent) a year (most households will never receive it), producing annual data on education, housing, family structure, disability status, health care, income and poverty, commuting patterns, veterans, and other vital social and economic characteristics. In fact, **Congress** requested, directly or indirectly, *all* of the data gathered in the **ACS**; Congress reviews the questionnaire each decade (13 U.S.C. §141(f)). Congress uses **ACS** data to allocate at least \$450 billion annually in federal aid to state and local governments. A majority of states also use **ACS** data, directly or indirectly, to set tax and spending limits.

The **ACS** and Rural Communities:

The **ACS** collects data on **health insurance coverage, housing conditions and access to utilities, veteran's status, income, education, occupation and industry, access to public transportation and vehicles for commuting**, and other characteristics that allow policymakers and researchers to understand conditions and trends in rural areas. The large ACS sample provides the *only* source of comprehensive information on less-populated rural communities and remote incorporated areas. The Census Bureau aggregates data gathered over three or five years to produce valid estimates for the smallest areas in the country. Specific uses of ACS data to assist rural residents include:

- Using **ACS** data, researchers have determined that veterans with service-related disabilities are concentrated in rural areas and the South, helping the Veterans Administration and lawmakers target medical and employment services where they are needed.
- Analysis of recent **ACS** data showed an increase in rural child poverty in 41 states, findings that could affect allocation of resources for food assistance, Medicaid, and school programs.
- The USDA uses **ACS** data to help rural areas build water and waste disposal systems, and to determine eligibility for business start-up grants in rural communities.
- **ACS** data guide Economic Development Administration grants to economically distressed areas to attract private investment, create jobs, develop creative initiatives to address economic conditions, and strengthen America's ability to compete in the global marketplace.
- USDA analysis of **ACS** data on income, access to vehicles and public transportation, and other variables identifies areas where people have limited access to healthy and affordable food.
- Economic development grants for the Delta and Appalachian Areas and other rural areas are based on data gathered in the **ACS**.
- Local governments use **ACS** data on the condition of homes and the characteristics of home owners and renters to prepare community needs assessments under federal program guidelines.



Issues:

- In the FY2015 Commerce, Justice, and Science Appropriations bill (H.R. 4660), the House cut \$238 million (20 percent) from the Census Bureau's budget request. *The House-passed funding level could jeopardize the Census Bureau's ability to produce reliable ACS data for smaller and less populous areas, leaving many communities without comparable, valid, and objective data about population and housing characteristics.*
- The House also voted to make ACS response **voluntary, a change from 220 years of census history that would leave 40 percent of U.S. counties, small cities and towns, rural areas, neighborhoods, and American Indian reservations without any ACS data at all!**
- A 2003 Census Bureau test of voluntary ACS response showed that response rates would drop and survey costs would increase, *both dramatically*, jeopardizing the validity and availability of data for many U.S. counties, cities, and towns.
- The Census Bureau would not have an extra \$90 million a year to overcome lower response rates, so making response optional will eliminate all data for rural areas, towns, and neighborhoods.
- The ACS is a unique source of information about the nation's communities. *No other federal survey or database provides comparable information.* The private sector cannot replicate the ACS, even if the federal survey disappeared. In fact, the ACS is the denominator for most public and private sector surveys, as well as for other core Census Bureau programs.
- 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.
- Without a mandatory **ACS**, Congress would not have the data it needs to allocate grants and other program assistance to rural areas, smaller communities, and less populous counties.



Solution:

To ensure the ACS remains a representative, valid, and comprehensive source of information for the public and private sectors, Congress must fully fund the ACS and not risk losing data for most American communities and counties by making participation optional.

