The Census Project's Fiscal Year 2023 Funding Recommendation for the U.S. Census Bureau

The Census Project recommends that the Census Bureau receive $2 billion in Fiscal Year (FY) 2023, which represents a $495 million increase over the President's budget request and $646 million over the FY 2022 enacted level.

The Census Project supports providing the Bureau with greater authority for multi-year funding, beginning in FY 2023, and funds to strengthen the innovations necessary to consolidate and integrate legacy surveys and systems into a new, more nimble data collection and dissemination model, to enhance the American Community Survey (ACS), and to pursue other initiatives outlined in the Administration's FY 2030 budget submission. Additional funding, above the Administration's request, is necessary for the agency to not only realize the full potential of several initiatives outlined in the Census Bureau's FY 2023 Congressional Justification, but also to pursue other priorities identified by census stakeholders.

President's FY 2023 Budget

The President's FY 2023 budget proposes several important initiatives that The Census Project funding recommendation supports.

Investments to complete 2020 Census and Prepare for 2030

2020 Census: The President's Budget proposed $160 million for 2020 Census programs (an $85 million decrease) in FY 2023, as the Bureau finishes the last of the decennial data products and evaluations/assessments. These were mostly delayed because of the pandemic disruption of the headcount. Much of the resources necessary will be provided by carryover funding, but funding is still required to support the remaining major IT contract (the Technical Integrator) through the conclusion of all 2020 Census activities and "finalize lessons learned" on the IT systems side.

All 2020 Census systems are planned to be transitioned in FY 2023 to support the 2030 Census program or broader Bureau infrastructure or be sunset. The Bureau also needs funding in FY 2023 to complete remaining products for the newly redistricted congressional and state legislative districts. The Count Question Resolution (CQR) operation, which provides a mechanism for governmental units to challenge their official 2020 Census results, would be funded to complete the review of any inquiries that arrive by June 30, 2023, and provide a disposition for any unresolved inquiry no later than September 30, 2023, as well as complete the operational assessment report. The Census Bureau says that the FY 2023 request "is consistent with the programmatic needs estimated in the 2020 Census Lifecycle Cost Estimate."

2030 Census: The President's Budget proposed $252 million for the 2030 Census in FY 2023 (a $249 million increase from only $3 million in FY 2022). This is nearly twice the increase requested a decade ago for the 2020 Census in comparable FY 2013 ($64.8 million), as the Bureau intends to continue research and testing to design the next decennial headcount, including work to develop and maintain the completeness of the address list (so that less of the country must be updated in the field), the use of administrative records as a source of data for enumeration, and bringing efficiencies to field operations to reduce non-response follow up. It also will be assessing its technology systems performance during the 2020 Census "which should be maintained, how enterprise systems can be leveraged, and what new technology is needed for 2030." The Bureau plans to "select and baseline an initial operational design" by early in FY 2025, since the sooner that the 2030 Census can be designed, the easier (and less costly) it will be to prepare and execute it. Requirements for the IT infrastructure also need to be planned and developed at the same time, in coordination with existing and planned systems across the Bureau's functions. Traditionally, the Census Bureau spends billions of dollars for a decennial headcount and then decommissions most of those systems, Now, the Bureau has proposed to transition to a "continual program" so that the 2030 effort will not begin from scratch. Further, early decade investments in the decennial census will allow the Bureau to sustain critical capabilities and, as a result reduce the risk of additional funding needs in the peak years later in the decade.

Increased support for Economic Census and Census of Governments Activities

The Economic Census: The Administration proposed $170 million for the Economic Census in FY 2023 (a $27.1 million increase from FY 2022), which the Census Project supports. The Bureau will be conducting most of the data collection activities in FY 2023, including nonresponse follow up, as well as data processing. This every-five-years survey of U.S. businesses seeks to reach about four million businesses of all sizes, "covering most industries and all geographic areas" and providing comprehensive, detailed information on the structure of the U.S. non-farm economy. The Bureau expects that transition to machine learning for processing and coding the extensive amount of write-in responses (instead of manual coding) for industry (NAICS) and product (NAPCS) classifications should result in higher quality data at less cost.

The Census of Governments: The President's Budget proposed $17.4 million for the Census of Governments in FY 2023 (a $6.8 million increase from FY 2022), which the Census Project supports. The Census Bureau aims to expand the use of administrative data to reduce the burden on government to respond and let the Bureau better standardize data processing products. The Census of Governments is "the primary source of facts about the structure and function" of the U.S. public sector and "an important element in constructing composite national economic measures, such as GDP input-output tables produced by BEA that measure market sectors, and the Federal Reserve Board's Flow of Funds accounts that provide time-series data of financial flows in the economy."

Partnership programs: The Census Project strongly supports the Administration's proposed $2.7 million in FY 2023 for the Enterprise Partnership Program, which would spin off the traditionally transient decennial headcount's partnership program into a much smaller, but permanent, ongoing, engagement with non-federal partners to assist and support other Census Bureau programs. It would also ensure that the partnership program for the 2030 Census will require less ramp-up time and cost. For FY 2023 specifically, the Census Bureau plans to collaborate with partners to promote response for the Economic Census and increase response rates for the Census of Governments. The program could also conduct ongoing outreach in support of the ACS and maintain relationships with 2020 stakeholders to further the Bureau's goals and better understand partner needs.

Transform Data Infrastructure

Frames Initiative: The Census Bureau needs to harness currently available Big Data technology and methodology to reduce respondent burden and realign the Bureau's already-existing data from multiple sources into universal "frames." The Bureau has numerous overlapping sample surveys and products used by federal agencies for different purposes, leading to inefficiencies, redundancies, and duplication. The Census Frames initiative will allow for more nimble operations across the enterprise, producing more granular and timely insights on people, places, jobs, or businesses. This initiative, consistent with the recommendations of the Commission on Evidence-Based Policymaking and utilizing authority granted by the Foundations for Evidence-Based Policymaking Act of 2018 (P.L. 115-435), will integrate data for streamlined use by all Census Bureau surveys, censuses, and products. The President's FY 23 budget requests $13 million for the Census Frames initiative.

Enterprise Data Dissemination and Collection initiatives: The Census Bureau is committed to transforming its data collection and dissemination practices to both save money and make data more accessible. The agency proposes a $9.4 million increase for Enterprise Data Dissemination, which includes funding for an initiative "to build evidence, evaluations, and improve underlying racial and ethnicity data." An additional $66.6 million is slated to support "critical updates to data collection methods for surveys that produce vital statistical data on the U.S. population and economy." This increase also includes funding for the Data Ingest and Collection for the Enterprise (DICE) program, which will eventually serve as a shared platform for survey design, collection, and analysis activities. This "end-to-end" approach of data collection to data dissemination is intended to harmonize processes and improve productivity.

High Frequency Data program: Building upon the Census Bureau's experimental Pulse Surveys, the budget recommends spending an additional $14.7 million in FY 2023 to support and expand the High Frequency Data Program. Specifically, this funding would help generate "data and products quickly and more frequently in response to changing conditions in the economy and society," to meet the demand for more timely data, especially in times of crisis. Stakeholders encourage the Bureau to take vigorous steps to improve coverage and quality of the estimates from these high frequency experiments.

Innovations to Existing Surveys and Programs: The President's FY 2023 budget proposes several initiatives that would improve existing surveys and programs important to census stakeholders, including:

- $4.5 million to develop and test a self-response web-based instrument for the Current Population Survey (CPS), which is the primary source of information regarding national unemployment rate and provides other data regarding employment, unemployment, and people not in the labor force. It will hopefully reduce the survey's data collection costs and improve its overall quality.

- A $3.7 million increase to support the Community Resilience Estimates (CRE) program, which began during the pandemic to provide more granular population data. The Census Bureau plans to transition the program from focusing exclusively on the pandemic to address other disasters and "add data for steady state programs."

- A $10 million increase for the American Community Survey, which would, in part, be tapped to improve the survey's measurement of sexual orientation and gender identity (SOGI) population.

Additional Investments

Census stakeholders have identified additional priorities that could be supported with additional funding above the Administration's request.

Enhancing the American Community Survey: Local communities, entrepreneurs, urban planners, major corporations and thousands of others that depend on annual data from the Census Bureau's American Community Survey were stunned late last year when both when major annual data releases were delayed or replaced with experimental data due to quality issues. Years of underinvestment and the pandemic have degraded the data, precluded necessary increases in the survey's sample size and shortchanged the Bureau's ability to address steadily declining response rates, revise content, and make other methodological and operational improvements. In response, The Census Project commissioned a report outlining recommendations for how to enhance the survey's content and operations. In addition, the report urges an infusion of $100 to $300 million to protect the ACS from further data quality deficiencies, increase the survey's sample size, enhance non-response follow up operations, reduce respondent burden, and develop new data products, as well as considering adding new questions and survey content that are needed to ensure the ACS is accurately capturing data about the nation's increasingly complex population and households.

Improving the Population Estimates: The significant operational disruption in the 2020 Census heightened concerns about differential undercounts of racial and ethnic population subgroups, rural areas, and young children. The annual series of Population Estimates is a major opportunity to help mitigate the consequences of an inaccurate count, which is the basis for all subsequent annual estimates for the next decade. Greater accuracy requires a more flexible and collaborative approach to the previous Population Estimates "challenge" process, allowing

local and tribal governments to submit a wider range of high-quality data to improve local counts than was allowed after the 2010 Census. However, the Census Bureau's Population Estimates Branch, which produces the estimates and reviews local and state government data, has 13% fewer staff and 18% less funding in constant dollars than in 2012. State, city, county and tribal officials, as well as demographers, statisticians, and researchers support an expanded Population Estimates Improvement Program, allowing local governments to submit a wider range of high-quality administrative data to demonstrate more accurate housing unit (and associated population) counts. A more robust improvement program also could feature greater outreach to states and localities that have high-quality data to share but lack the capacity and resources to engage in the bureau's adversarial Population Estimates Challenge Program.

The Bureau needs $10 million in additional funding to support expanded opportunities for cities, counties, towns, tribal governments, and other localities to help ensure the accuracy of their annual estimates. Half of the additional resources ($5 million) could restore the Population Estimates Branch to its 2003 funding and staffing levels and ensure that new data sources are part of the bureau's transformation. The remaining $5 million could allow each state in the Federal-State Cooperative for Population Estimates to have a dedicated full-time staff member who could assist all localities -- especially smaller ones -- within each respective state to participate in an expanded improvement program, without creating an unfunded mandate on local communities who need to remedy 2020 errors. This long overdue increase in Population Estimates Program funding represents a minimal investment to ensure that trillions of taxpayer dollars over the decade are spent wisely and fairly.

Modernize and Sustain the Survey of Income and Program Participation (SIPP):
Policymakers, particularly as the economy emerges from the COVID-19 pandemic, need high quality, accurate data to assess the impact of government assistance programs on families and communities. The Survey of Income and Program Participation (SIPP) is designed to achieve that goal, yet its funding has fluctuated routinely, especially during years in which the government has been funded via a series of continuing resolutions. Stabilizing and increasing support for SIPP, to no less than $48 million in FY 2023 -- an increase of $1.4 million from FY 2022 enacted ($46.6 million) -- will help Congress make evidence-based policy decisions on the effectiveness of government assistance program. However, additional funding for SIPP would enable the Bureau to pursue necessary innovations designed to enhance the survey's sample, address decreasing response rates, and improve the survey's content. Restoring minor cuts to the SIPP program does not provide the resources necessary to modernize the survey and its operations. A bolder investment in the survey is warranted.

The Census Project (https://thecensusproject.org) is a broad-based coalition of national, state, and local organizations and companies that support an inclusive and accurate 2020 Census, 2030 Census, and American Community Survey (ACS) (the modern version of the census "long form"). Its 900+ member organizations and companies, representing the private, public, nonprofit, and academic sectors, rely on objective data that the Census Bureau produces to inform evidence-based investment, policy and planning decisions