

America's Essential Data at Risk: Preserve and Enhance the American Community Survey to Support U.S. Businesses

Challenges Threaten American Business' Essential Data

Entrepreneurs, employers and corporations large and small that depend on annual data from the Census Bureau's American Community Survey (ACS) were stunned in late 2021 when both 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. Stakeholders raised a clarion call for action.

What is the American Community Survey (ACS)

The <u>ACS</u>, which replaced the census long form in 2005, is a nationwide, continuous survey of about 3.5 million households annually conducted by the <u>U.S. Census Bureau</u>. It provides reliable and timely demographic, housing, social, and economic data every year for communities large and small. The ACS is the largest official survey of American households.

Businesses depend on high-quality data from the ACS for decision making

- The ACS provides corporations, small businesses, and individual entrepreneurs the detailed social, economic, housing, and demographic data they need to gauge the sales potential of products and services, better understand the workforce, select new sites for businesses and evaluate performance of existing locations, and set strategies for growth.
- Many businesses need workers with specific degrees. They need to know where
 potential workers live, how long it would take them to get to work, and whether they have
 access to highspeed internet to work from home. Other businesses want to recruit
 qualified veterans. The ACS provides detailed information about the population and
 workforce in local communities that can help businesses choose appropriate locations
 for a new store, office, or factory. (See p. 12 of America's Essential Data at Risk)
- Many federal and state programs use ACS data to identify communities to prioritize for economic development. (See p. 11 of <u>America's Essential Data at Risk</u>)
- Regional and local groups also <u>use ACS data to attract investment to their area</u> from across the U.S. and around the globe.

Census Stakeholders Urge Congress to Support Long Delayed Enhancements

In March 2022, The Census Project, a coalition of over 800 national, state, and local organizations, released <u>a report</u>, documenting the many uses of the ACS and identifying its challenges and calling for urgently ensuring the ACS can deliver what the nation needs.

- An infusion of **\$100 to \$300 million** is urgently needed 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.
- New questions and survey content are needed to ensure the ACS is accurately capturing data about the nation's increasingly complex population and households.

Learn More at: ACS: America's Data at Risk – The Census Project – www.thecensusproject.org

