Fiscal Year 2027 Funding Recommendation from The Census Project

To fulfill its mission and pursue essential operational innovations, The Census Project recommends the U.S. Census Bureau receive $2.1 billion in Fiscal Year 2027 in the Commerce, Justice, Science (CJS) appropriations bill.

Fiscal Year 2027 (FY 2027) is a critical year in the decade-long ramp-up to the constitutionally mandated 2030 Census, in which preparations and costs historically increase exponentially. We are already past the midpoint of the decade. In just three years, the Census Bureau will start enumeration operations for the 2030 Decennial in remote Alaska. It is a massive undertaking, requiring hundreds of operations that need to be planned, tested, and finalized for the U.S. government's largest peacetime civilian mobilization.

As demonstrated in this graph, historical trends affirm that increased funding in year 7 of the decennial census' decade-long planning trajectory is essential for the U.S. Census Bureau to conduct necessary preparations for designing and implementing an inclusive, accurate, and cost-effective decennial census.

Decennial & ACS Funding Ramp Up Comparison
Inflation-adjusted funding level for each year in advance of the 2010, 2020 and 2030 Decennial
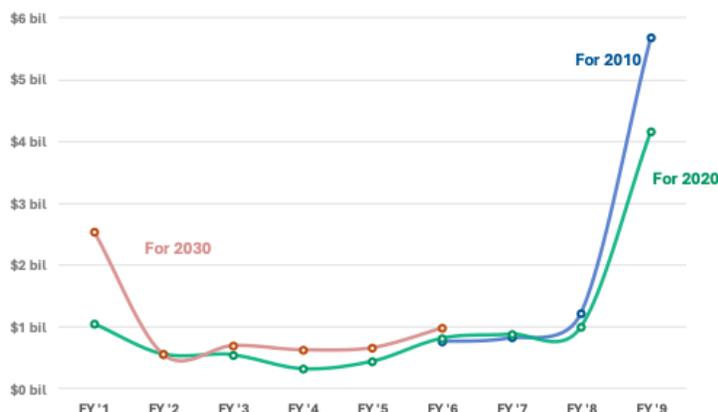
2030 Is Currently On Similar Underinvestment Path as 2020

Source: Final Enacted Amounts as Reported in U.S. Department of Commerce of U.S. Census Bureau Budget Documents. All years include ACS, which is a part of the Decennial, replacing the decennial long-form.
https://www.commerce.gov/about/budget-and-performance/past-budgets-performance-reports

www.TheCensusProject.org

2030 Census

In FY 2027, among other decennial activities, the Census Bureau will ideally: analyze the results of the 2026 Census Test; conduct final testing of specific census operations, methods, and question wording and format; determine the use of administrative records and automation; refine cost models and workforce estimates; submit topics to be covered in the 2030 Census and American Community Survey (ACS) to Congress by April 1, 2027 (in accordance with Title 13, U.S.C.); start the Local Update of Census Addresses (LUCA) operation (in accordance with Title 13, U.S.C.); finalize residence criteria and residence situation, which impacts how to count residents of group quarters; and manage the creation of the communications and partnership program.

Highlights: Decennial Census Preparations in FY 2027

Analyzing outcome of 2026 Census Test—Presuming the conduct of a 2026 Census Test, the Census Bureau in FY 2027 will be analyzing data collected from it about novel enumeration strategies and technologies. Learning from the 2026 test goes toward not just informing the design of the 2030 Census, but also to inform the 2028 Dress Rehearsal.

Conducting Local Update of Census Addresses (LUCA) operation—The Census Bureau relies on a complete and accurate address list to reach every living quarter and associated population for inclusion in the decennial census. The legally-required LUCA, one of the Census Bureau's Geographic Partnership Programs, allows tribal, state and local governments to submit address lists and maps to the Bureau to help ensure universal coverage in the decennial headcount and reduce the scope of costly field address canvassing. Governments review their Address Count Listing File to determine if any discrepancies exist. If they find discrepancies, they have the option to provide suggestions to add residential addresses, delete residential addresses that do not exist, or update the geographic location of residential addresses. For the first time, LUCA will be all digital, providing an address matching service, web-based tools instead of software downloads, and a secure portal.

Creating Communications and Partnership Program—In the seventh year leading up to the next decennial, the Census Bureau is also expected to closely manage creation of a broad, nimble communications and partnership program. A flexible, well-designed, public education campaign is essential to promote high levels of participation in all communities and cost-effective "self-response" whenever possible. Similarly, in partnership with a contractor selected later, the Bureau usually needs to ensure successful development of the Census Questionnaire Assistance (CQA) operation, which will answer the public's questions and facilitate people providing their census responses directly by phone (something that was run for the first time in the 2020 Census).

As we learned in the run up to the 2020 Census, short-changing testing and preparation at this stage in the decennial process risks a successful outcome, both in cost and accuracy. The 2020 Census had a life cycle cost of $13.7 billion, covering more than a decade, during which the

Bureau was constantly innovating to achieve a complete count. However, when Congress failed to meet the Administration's request for 2020 Census planning in Fiscal Years 2012-2017, the Census Bureau had to cancel every planned test in a rural area and on American Indian reservations, including two of three dress rehearsal sites in 2018. After the census, the Bureau's check of its work showed a net undercount of 5.64 percent on American Indian reservations, and a net undercount of 2.58 percent in areas counted with a modified census packet delivery method called "Update/Leave," which is used primarily in rural areas. This outcome demonstrates how postponing planning for decennial operations introduces greater risk to a fair and complete count of the population. Adequate support for decennial census preparations in FY 2027 will reduce the risk of requiring significant unplanned, emergency funding in the peak years at the end of the decade, improving the agency's ability to conduct a complete, accurate, and cost-efficient count in 2030.

The Census Project also recommends that the Census Bureau be given the authority to spend its appropriation across fiscal years (authority Congress has regularly provided in the annual Commerce, Justice, Science appropriations legislation as the decennial cycle ramps up). This authority will provide the Census Bureau with the flexibility it needs to withstand continuing resolutions and other disruptions in federal funding in a process that is on a strict legally dictated timer counting down to Census Day on April 1, 2030.

Population Estimates

The Census Bureau's annual series of Population Estimates provides the denominator for the Agency's core demographic surveys—including the American Community Survey (ACS) and the Current Population Survey (CPS)—and underpins a wide range of economic and health indicators such as unemployment rates, disease-incidence metrics, and informs the allocation of more than **$2 trillion** in population-based federal funding each year.

Following the operational disruptions of the 2020 Census, which produced substantial undercounts of several demographic sub-groups and many rural communities, the Bureau recognized the urgent need to modernize and improve the accuracy of its Population Estimates Program (PEP). In FY 2025 the Census Bureau requested an additional **$6.2 million** to "strengthen the Population Estimates Program by increasing the number of staff supporting critical research to improve the quality of the estimates." Independent analysts subsequently estimated that a **$12.8 million** boost would be required to fully implement the Bureau's new "blended-base" methodology—one that retains the rigor of the decennial count while integrating high-quality administrative data from states, municipalities, tribal governments, and other local partners.

Since that recommendation, PEP has received modest supplemental funding. Despite a hiring freeze and a wave of retirements, the program has delivered notable advances:

- **Birth-record integration** – Leveraging vital-statistics data to correct the 2020 Census undercount of young children.

- **Enhanced immigration data** – Incorporating U.S. federal administrative data on lawful permanent residents, visa issuances, international student enrollees, refugee admissions, and border releases, improving estimates for newly-immigrated populations for 2022, 2023, and 2024.

These achievements demonstrate the program's capacity to generate high-impact research even under constrained staffing levels. However, a new, pressing challenge has emerged: **estimating emigration**. Recent policy shifts have accelerated out-migration, making emigration a significant driver of population change—a factor that was historically negligible and therefore low-priority for the Bureau. Accurate emigration estimates now require the PEP to assemble and reconcile data from a variety of external sources (e.g., DHS exit records, airline passenger manifests, border-crossing statistics). Coverage and data quality vary widely across data sets. The same individual can be listed multiple times, while others have no records. Ultimately, complex linkage and research-based estimation rules need to be developed to ensure the most accurate data possible. This effort is highly labor-intensive and cannot be sustained with the current staffing constraints.

Given the strategic importance of reliable population estimates for equitable federal funding and for informing policymakers on demographic trends, The Census Project Fiscal Year 2027 funding recommendation reiterates its continued support for providing PEP with an additional $12.8 million to fund a dedicated expansion of staff and analytic capacity.

Failure to fund these enhancements will leave the Census Bureau unable to capture the full magnitude of contemporary migration dynamics, perpetuating biases in the data and risking misallocation of billions of dollars in federal resources. An investment in PEP today will safeguard the integrity of population-based decision-making for the remainder of the decade and potentially decades to come.

The Master Address File

A complete address list is the cornerstone of an accurate census; without it, entire households and communities can be left invisible. These omissions have real consequences, distorting congressional apportionment and redistricting and driving the misallocation of hundreds of billions of dollars each year for healthcare, education, transportation, housing, and other critical services. Accurate, complete address information is the foundation of a successful decennial census and many federal surveys that guide national decision-making.

Ahead of the 2020 Census, the Census Bureau made significant investments in modernizing the Master Address File (MAF), combining continuous updates with satellite imagery and machine-readable data. The Government Accountability Office has cited these innovations as cost-saving improvements that reduced the need for expensive fieldwork. Then, to ensure the 2020 MAF was the most accurate ever, the Local Update of Census Addresses (LUCA) program incorporated address data from state, local, and tribal governments that satellite imagery cannot easily capture (e.g. multiunit buildings, accessory dwelling units).

The LUCA program empowers governments to review and improve the Census Bureau's address list before enumeration begins, helping identify missing, inaccurate, or outdated addresses. The places that can benefit most from LUCA run the gamut – from vast rural areas and small towns to fast-growing suburbs to dense city neighborhoods. All of these places are at risk for undercounts unless flaws in their address lists are corrected.

Despite its proven impact on the accuracy of the 2020 MAF, many states and local jurisdictions lack the technical capacity, staffing, and infrastructure needed to fully participate in LUCA. Largely rural states such as Louisiana, Mississippi, and West Virginia report a lack of staff and limited access to the data and Geographic Information Systems that are needed to ingest, validate, and securely submit address updates to the Census Bureau. Without targeted outreach and training, these jurisdictions risk falling behind national participation levels, increasing the likelihood of undercounts in the very communities that most need to be seen and served.

Dedicated funding for LUCA outreach and training would directly address these gaps and protect the integrity of the MAF. Such investments include hands-on technical training—both virtual and in person— the development and compilation of local data, secure data transfer protocols, and error-checking tools, with materials tailored for low-capacity environments. Expanded outreach through clear guidance, webinars, and a responsive help desk would improve awareness and consistency across regions and help to ensure that submissions to the Census Bureau were of high quality. Strong evaluation and reporting would allow Congress to track participation rates, data quality improvements, and cost savings, ensuring transparency and accountability.

As was noted earlier, the 2020 Census came in $1.9 billion below its initial estimated projected cost. This decrease is partly attributed to the increased productivity facilitated by new GIS technology. Moreover, the benefits of an improved MAF are spread across most of the surveys conducted by the Census Bureau.

Unfortunately, in its Fiscal Year 2026 budget submission, the Administration proposed a reduction in funding of $13 million for the Geographic Support Program, which undergirds the MAF and other 2030 Census services, at a point in the census cycle where LUCA training and preparation efforts are ramping up. The Census Project's FY 2027 Funding Recommendation rejects the Administration's proposed funding reduction to the Geographic Support Program in FY 2026 and carries forward its recommendation that the program receive a $20 million increase in FY 2027 to support the comprehensive MAF update supplied by local data through the LUCA operation.

Survey of Income and Program Participation

Policymakers, particularly in this volatile economy, need high quality, accurate data to assess the impact and usefulness of government assistance programs for families and communities. The Survey of Income and Program Participation (SIPP) is designed to achieve that goal, yet its

funding has fluctuated routinely. In FY 2026, the Administration proposed not only reducing most of SIPP's funding, $40 million, but also "transitioning [SIPP] to a more effective approach that merges modern survey techniques with advanced data science methods." The Administration claimed this new strategy will make it possible "to focus on a smaller, more targeted sample while utilizing non survey data to lower costs, lessen the burden on respondents, and enhance both the timeliness and accuracy of statistical outputs."

While the budget request recognizes SIPP for having "played an important role in shedding light on the economic well-being of Americans," its data collection is also criticized for having been "expensive and challenging for respondents." The Administration's FY 2026 budget request did not outline SIPP's potential transition nor clarify if the program will continue under its current name, leaving data users with more questions than answers.

In addition to restoring the $40 million cut to SIPP, The Census Project's FY 2027 Funding Recommendation carries forward its FY 2026 request to provide SIPP with an additional $11.4 million, as endorsed by SIPP users, to restore the SIPP sample size and enable the Bureau to pursue other necessary innovations, such as improving the accuracy of month-by-month data and creating an Internet response option. In addition, our recommendation asks the Administration to be more specific and transparent about SIPP's future and how its data will be collected and disseminated going forward.