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Comments on Census Bureau's proposal for changes to the Current Population Survey's Annual Social and Economic Supplement

The New York City Center for Economic Opportunity (CEO) strongly supports the changes to the CPS ASEC questionnaire that have been proposed by the Census Bureau. These will significantly enhance the ability of the survey to provide a poverty measure that is consistent with the mandates contained in the Measuring American Poverty Act of 2009 (MAP).

In addition to voicing our support for the Census Bureau's proposal, we would like to comment on another task that the MAP puts before the Bureau. Section 1150D of the legislation calls for a "study to improve state and local poverty measurement". Part (a) of the section foresees the Census Bureau's American Community Survey (ACS) as the appropriate data source for sub-national measures and includes the following: "The methods to be examined shall include revisions to the American Community Survey questionnaire, use of administrative records, and use of modeled estimates."

We believe that the process of planning for a revision of the ACS questionnaire should begin immediately. What follows are some suggestions for questions that should be considered in the process. As pioneers in the use of the ACS for a poverty measure much like that proposed in the MAP, CEO has had to contend with the wide distance between the data on family resources provided by the Survey in its current form and the definition of resources required by the improved poverty measure. We have addressed

this challenge with the extensive use of imputation procedures to estimate taxation, participation in and the value of nutritional and housing subsidy programs, childcare costs, and medical out-of-pocket expenditures. Such estimates are never as accurate as the information that would be available from survey respondents and changes to the questionnaire should be made to minimize their use.

That said, we recognize that the ACS is designed to be a self-administered, mail-out, mail-back, survey and that this severely limits its ability to match the detailed resource information that can be collected by the CPS ASEC. However, we believe that several questions could be added to the Survey questionnaire that would not impose undue respondent burden or lead to greater levels of survey or item non-response. These questions would reduce the need for imputation estimates and/or they would make the use of imputations more straightforward and more accurate. We limit our proposals to those that address the more important of the non-reported resource items in the ACS, do not require any detailed probing of information that might be regarded as “sensitive” by the respondent (such as taxation), or necessitate the recall of dollar amounts over the 12 month period covered by the survey.

Suggestion One:

In the Housing section of the questionnaire, after respondents have indicated whether they are renters or owners (question 14), the following two questions could be posed to renters:

1. Is this a public housing project that is owned by a local housing authority or other public agency?

2. Are you paying lower rent because the federal, state, or local government is paying part of the cost?

In addition question 15 should be rephrased to read “what is the monthly rent that you pay for this”

These changes would allow us to identify participants in most important housing assistance programs and to estimate the value of that assistance (the difference between the shelter portion of their threshold and their actual housing expenditures).

Suggestion Two:

In second part of the person questions section to the questionnaire the following could be included:

1. In the past 12 months, did anyone in this household pay for the care of this person while they worked?
2. If yes, did that person receive any help from federal, state, or local government program to pay for this care?

These changes, in conjunction with information on the person's age and school attendance would identify whether the person was receiving paid childcare and whether the cost of that care was being defrayed by a subsidy. The relationship variables now in the survey would allow us to identify the person's parent(s). This would make the task of imputing childcare expenditures more straightforward and would provide the information needed to estimate the effect of subsidies on childcare expenses.

Suggestion Three:

After question 19 in the second part of the person section, add:

1. Would you say this person's health in general is?

- a. Excellent
- b. Very good
- c. Good
- d. Fair
- e. Poor

This addition provides information that would improve the accuracy of imputations for medical-out-of-pocket expenditures.

We believe that these three changes are feasible given the design and purpose of the ACS. If implemented, they would greatly improve the ability of the survey to generate local poverty measures as envisioned by the MAP act. The process of revising the ACS questionnaire along these lines should begin without delay.