

Comment from Andrew Reamer, George Washington Institute of Public Policy, George Washington University, received 10/02/20

Note that a draft Supporting Statement A was provided for review at commenter's request per requirements of Paperwork Reduction Act.

In this comment, I wish to focus on the following sentence in the draft Supporting Statement "Governmental units may use these corrections for future programs requiring official 2020 Census data including requests for federal or state funding, grants, and other needs that are based on the population and/or housing counts within a governmental unit."

For the Census Bureau's consideration in constructing the final CQR Supporting Statement:

- Generally speaking, decennial census numbers are not used in the allocation of federal and state funding. The two key Census data products for funds allocation are Population Estimates and the American Community Survey [ACS].
 - Recognizing that decennial numbers are quickly out of date, Congress has directed federal agencies to use the most recent Population Estimates except in instances in which the law specifically requires the use of the decennial number. See 13 USC 183 <https://www.law.cornell.edu/uscode/text/13/183>
 - Further, as the decennial census and Population Estimates provide data on a relatively limited set of population characteristics (i.e., age, sex, race, ethnicity) at a fairly high level of geography, many federal programs that use Census Bureau data to allocate funding rely primarily on the American Community Survey (i.e., the current incarnation of 1960-2000 decennial "long form") because it provides the needed data elements (e.g., poverty rates, unemployment rates, median income, housing conditions) at small levels of geography, updated annually.
 - The primary direct use of decennial census numbers for funds allocation is the decennial urban/rural classification of census tracts based on population density.
 - A second use of decennial numbers is by USDA for certain programs that require rural communities to use their decennial population count in applying for funds -- I think because rural communities, particularly at the subcounty level, may not receive an annual Population Estimate.
- Census-guided federal and state funding programs can be divided into two groups:
 - The first, with the most money, includes formula-based entitlement programs that rely on census-derived data to allocate funding. For these programs, states and communities don't apply for funding, they receive it as a matter of entitlement based on a formula.
 - The second includes competitive grant programs in which eligible communities compete with one another for a limited pot of funds.
- Generally speaking, federal and state entitlement programs rely on a governmental unit's percent share of a national or state total. In essence, Congress or a state legislature decides on the size of the "pie" and the census-derived percentages determine the geographic allocation of "slices." The size of the pie is set independent of census numbers.
 - The census-derived percentages are based on two numbers -- the governmental unit count divided by the nation or state count.
 - For entitlement formula programs, a distribution of funding that reflects count adjustments, then, requires the adjustment of the national and state numbers as well.
 - All the slices get allocated. So, for instance, if Montgomery, Alabama has a 2020 Census undercount greater than the national average, it would get a smaller share of federal

funds and its lost share would be distributed among the other 49 states, DC, and other Alabama communities.

- As suggested above, census-guided entitlement formulas are based on the ACS and/or Population Estimates. The ACS in turn depends on Pop Estimates/decennial census for the population controls, sampling frame, and weighting.
- For your reference, I'm attaching [*attachments not included in regulations.gov with this docket*] descriptions of several entitlement formula programs, including Title I, Community Development Block Grant, workforce training, rural development, and highways.
- For competitive grant programs, applicants use census-derived data, typically ACS and/or Pop Estimates, to make their case. They tend to rely on estimates specific to that community only, not relative to the nation or state. Typically, funding agencies set out selection criteria and points awarded beforehand. Communities rarely, in my experience, use decennial census data as they are outdated.

I very much appreciate that the Census Bureau operates the Count Question Resolution (CQR) Program and recognize that one purpose is to enable governmental units to use an adjusted count. However, I believe that the issuance of a specialized CQR data product for the affected governmental unit will by itself be largely useless for enabling the community to obtain the entitlement formula and competitive grant funding it is due, as those allocations are primarily based on Population Estimates and ACS data, with the large majority reliant on substate shares of a national or state population.

If light of the above, I request the Census Bureau provide me with answers to the following questions -- If the 2020 Census count is adjusted for a substate governmental unit:

- Will the annual Population Estimates figure for that unit reflect the adjusted 2020 count?
- Will the state's and nation's 2020 Census count and annual Population Estimates also be adjusted accordingly?
- Will 2020 figures for census tracts within the governmental unit be adjusted?
- Will the ACS figures for the governmental unit and its census tracts reflect in any way the count adjustment? If so, how?

I think it is very important that governmental units clearly understand the potential benefits of making use of the CQR Program. Based on your answers, then, I ask that the Census Bureau clearly indicate in the final CQR Supporting Statement submitted to OMB:

- Whether or not local, state, and national Populations Estimates and ACS datasets (down to the census tract level) would reflect count adjustments; and
- the utility, or lack of utility, of CQR count adjustment in ensuring that communities that obtain an adjusted count can receive a share of federal financial assistance that reflects their adjusted numbers.

Thanks very much for your consideration. I hope you find my comments useful and look forward to your response at a convenient time.

Sincerely,
Andrew Reamer
Research Professor

George Washington Institute of Public Policy
George Washington University