



U.S. Department of Commerce Economics and Statistics Administration

March 1, 2007

Ms. Diana Hynek
Departmental Paperwork Clearance Officer
Department of Commerce, Room 6625
14th and Constitution Avenue, NW
Washington, DC 20230

RE: Federal Register notice of January 4, 2007, for the American Community Survey – Form Numbers: ACS-1, ACF-1(SP), ACS-1(PR), ACS-1(PR)SP, ACS-1(GQ), ACF-1(PR)GQ, GQFQ, ACS CATI (HU), ACS CAPI (HU), ACS RI (HU), and AGQ RI (OMB Number: 0607-0810)

Dear Ms. Hynek:

The Bureau of Economic Analysis (BEA) strongly supports the proposed collection of data by the U.S. Census Bureau in the American Community Survey (ACS). This important survey will provide BEA with more timely annual information previously available only in the Decemnial Census. The ACS has allowed Census to remove the long form from its plans for the 2010 Census. Thus, the continuation of the ACS is critical for several key components of BEA's economic statistics.

BEA uses information collected from the ACS to prepare the national income and product, inputoutput, and the regional economic accounts. More specifically, the ACS provides much needed information for BEA to prepare national, state, and county-level estimates of imputed rent; statelevel estimates of the owner-occupied housing portion of gross domestic product by state for the real estate industry; county-level data for computing the residence adjustment to the labor components of personal income; and national, state, and county-level wage and employment data for employees of private households. The increased frequency of the ACS data will allow for more estimation and less interpolation or extrapolation of those components that relied on the decennial census. Data items that we use directly in our estimates are attached.

Please keep BEA informed of any modifications to these forms. We are particularly interested in any modifications proposed during the forms approval process that would substantially affect our use of these data. For additional information, please contact Ruth Bramblett, Source Data Coordinator, on 202-606-9653 or by e-mail at Ruth Bramblett@bea.gov. If you should need

assistance in justifying this form to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

Dennis J. Fixler Chief Statistician

Attachment

## Attachment

## Direct Use of ACS Data in Preparation of BEA's National and State Economic Accounts

ACS-1(2005)

	Use	NIPA Estimate
Housing Information		
Housing units (Question 1)	Used to prepare estimates of imputed	Gross Domestic Product (GDP)
Vacancy Status (derived from a sample of vacant units researched by ACS Field Representatives)	space rent on owner-occupied nonfarm dwellings at the U.S. level, of rent paid on tenant-occupied nonfarm dwellings at the U.S. level and rental income of persons at the U.S. level.	National Income Personal Income
Tenure (Question 3)		Gross Domestic Product
Ownership of Property (Question 17)		by State
Property Value (Question 19)		Gross Domestic Product by Metropolitan Area
Contract Rent (Question 18)		State Personal Income
Real estate taxes (Question 20)		Local area Personal
Condominium fees (Question 16)		Input-Output (indirectly)
Person Information		
Place of residence - state, county (Question 14)	Used to create gross commuting flow ratios in order to develop	State Personal Income
Place of work - state, county (Question 24)	place-of-residence earnings estimates from place-of-work estimates	Income
Industry (Questions 35-40)	by industry.	
Wages or salary income (Question 41a)	Used to prepare county- level estimates on employment by detailed industry.	
Self-employment income (Question 41b)		



## THE BROOKINGS INSTITUTION

1775 Massachusetts Avenue, NW Washington, DC 20036-2103 Tel: 202-797-6000 Fax: 202-797-6004 www.brookings.edu

March 1, 2007

Diana Hynek, Departmental Paperwork Clearance Officer Department of Commerce, Room 6625 14<sup>th</sup> and Constitution Ave., NW Washington, DC 20230 via e-mail: DHynek@doc.gov

RE: Request for comments regarding proposed data collection for the 2008 American Community Survey

Dear Ms. Hynek,

On behalf of the Metropolitan Policy Program (MPP) of the Brookings Institution, I am pleased to respond to the notice placed by the Department of Commerce in the January 4, 2007 Federal Register asking for comments regarding plans for the 2008 American Community Survey (ACS) data collection.

MPP promotes innovative solutions to help the nation's metropolitan communities grow in more inclusive, competitive, and sustainable ways. From this perspective, we believe that the ACS is critically important to the health and well-being of metropolitan America. In particular, we believe that the availability of ACS data will lead to more appropriate and effective private and public sector investments. Far more than any other dataset collected by the federal government, continued implementation of the ACS will enable private and public investors to obtain a complete, up-to-date understanding of highly detailed demographic and socioeconomic characteristics of the nation's metropolitan areas, central cities and other places, and neighborhoods. Specifically:

- The ACS allows the nation's markets to work more efficiently. With continued implementation, businesses increasingly will use ACS data to identify markets, determine site location and product mix, and assess labor force availability.
- The ACS collects information that America's communities need in order to function well.
   Local governments, metropolitan planning councils, and community-based and other local nonprofits will use ACS data to determine the need for, the design of, and the impacts of programs in realms such as transportation, health, education, workforce development, community and economic development, housing, and social services.

Further, we see the ACS as a critical factor in the success of the 2010 Census as it allows the census to focus solely on accurately counting the population of the United States.

Regarding the Census Bureau's proposed changes to the ACS questionnaire for 2008, we offer several comments. We view the proposed changes as highly important for ensuring that the ACS is effective in obtaining complete and accurate respondent information and adequately addresses the needs of data users, federal agencies, and Congress. We have reviewed the research results from the 2006 ACS Content

Metropolitan Policy Program areamer@brookings.edu www.brookings.edu/metro Tel: 202-797-4398 • Fax: 202-797-2965 Report series and applaud both the intent of the changes and the improvements to data quality. We found the methodology of the data collection to be logical and appropriate.

We especially support the inclusion of a health insurance question in the ACS. Currently, data regarding individuals' access to heath care is not available below the state level. The availability of such data for smaller jurisdictions and neighborhoods will help state and local policymakers, hospitals and health care providers, and community organizations better understand and address the need for improved access to healthcare, particularly for low-income populations.

At the same time, we have two recommendations to improve the proposed question on health insurance:

- As suggested in our response to the Federal Register Notice for the 2006 ACS Content Test
  (August 11, 2005), we think that Question 15 should be clarified so that self-employed
  persons who purchase health insurance through their business clearly understand the
  appropriate category to check. We are concerned that such persons will be confused by the
  proposed category language and unsure whether to check the first or second box.
- Also, we recommend that Question 15 include the State Children's Health Insurance Program (SCHIP) after mention of Medicaid and Medical Assistance. SCHIP is sufficiently large to warrant specific mention.

We are concerned about the proposed elimination for 2008 of the question on seasonal residence (H25 in the 2007 questionnaire). One of the promises of the ACS has been that local governments would be able to ascertain the characteristics of their permanent and seasonal populations in order to better make decisions on service provision. We understand from the ACS staff that research on the value of the seasonal residence question, as posed in 2005-2007, indicates that problems exist. We see that the 2006 ACS Content Test did not evaluate this question. Rather than eliminate the question, we support further research to improve it. Options to explore include asking the question of each person rather than the entire household, asking the location of the other residence, and examining approaches other than a seasonal residence question, for example, asking about variation in monthly vacancy rates.

We support the Census Bureau's extended use of administrative records as a cost-effective way to evaluate data quality and to develop possible explanations for respondent confusion; this was done for questions on marital history, use of Food Stamps, and use of public assistance, for instance.

We are aware that research raised serious questions about the quality of ACS data on the use of public assistance. Because of the importance of these data in public policy, we urge that revisions to that question be considered for 2008 that address the concerns raised.

As the content of the 2008 questionnaire will differ from those in previous years, we ask the Census Bureau to address a question raised by many data users: How will the Census Bureau provide multi-year averages for small areas using data from two different forms of the questionnaire? Identification of trends is a significant potential and one of the promises of the ACS. We request the Census Bureau provide guidance about this point on the ACS website.

We appreciate the Census Bureau's efforts to reduce costs by excluding the questionnaire instruction booklet from the mailing packet as this booklet is not used frequently by respondents. We recommend, however, that Census make the booklet available online for those individuals who wish to access it, rather than discontinue it altogether.

In conclusion, MPP very strongly supports the continuation of the American Community Survey, applauds many of the proposed changes to the 2008 survey, and asks the Census Bureau to consider our recommendations for additional improvements. We hope you find our comments of value, and thank you for the opportunity to provide them.

Sincerely,

Andrew Reamer, Fellow Metropolitan Policy Program

6906 Burkittsville Rd Middletown, MD 21769 13 February 2007

Ms. Diana Hynek
Departmental Paperwork Clearance Officer
Department of Commerce, Room 6625,
14th & Constitution Avenue NW
Washington, DC 20230

Re: Federal Register, 4 January 2007 Request for Comments on the American Community Survey

I truly appreciate the opportunity to voice my concerns about the American Community Survey (ACS). As an Agency-documented victim of the Census Bureau's overzealous ACS collection efforts, I am very interested in addressing issues related to ACS.

This proposed collection of information is unnecessary for the performance of the Agency's mission, which is to conduct a nationwide census every ten years. As documented in the Agency's own historical documents, the ACS was established solely to justify and stabilize the Census Bureau's budget and staffing. The former director of the Bureau is on record describing how the ACS was developed and subsequently "marketed" to Congress (her word) and other stakeholders. The ACS intrudes on citizens with the sole aim of preserving and growing bureaucracy, with no corresponding benefit to most citizens.

Many of the questions asked in the ACS are intrusive, and some may be illegal. Questions demanding detailed personal information about citizen's health clearly violate the Federal Government's own health care personal information protection statutes. The published losses of Agency laptops containing such records probably open the Agency to lawsuits for these violations. Other questions are merely rude, insulting, or otherwise unnecessary. In short, the survey provides no practical utility to anyone save the Census-bureau and other government bureaucrats.

The collection burden on taxpayers is underestimated. Answering the depth of questions asked both accurately and honestly would require a minimum of several hours of research by the average respondent. Some rural respondents that I have spoken with told me that they simply made up answers, which leads one to question the validity of the data collected. My own experience was that, upon refusing to participate, many hours were wasted answering telephone calls and visits from the Agency's representatives. Once a citizen's refusal to answer is received, no further Agency follow-up should be permitted. The Constitution provides for the right to free speech, which includes the right to silence. The government has no overriding interest in this

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questionable data that permits it to compel citizens to answer. Instead, the Agency relies on hollow threats of prosecution and gains faulty data, compromising the data and citizens' freedom. If the Agency truly believes that answering the ACS is justified, then the Agency should prosecute those who will not respond. I believe the Agency does not prosecute, because it knows that a court of law will rule against it.

One way to minimize the burden of this unnecessary instrument is to eliminate the hollow threat of legal action for non-respondents, accept that there are citizens who rightfully and legally will not respond, and account for them in the size of the survey sample. Once a citizen exercises his or her right to silence, then the Agency should immediately stop asking questions and move on to the next potential respondent. A second, and my own preferred way to minimize the burden of this unnecessary instrument would be to eliminate the ACS entirely, and return to the Constitutionally-bureaucracy, save Federal funding for more worthwhile requirements, and better protect American citizen's Constitutional rights.

Finally, I would point out that I attempted to contact Ms. Susan Schechter of the Census Bureau via email several times, using the address published in the Federal Register on January 4 2007. I discovered that Ms. Schechter's email apparently does not work, as all of my requests for information sent to the published address were rejected by the Census Bureau's mail server. This makes me question further whether the Agency truly wants or reacts to citizen input.

Sincerely,

Thomas P. Aeillo

## Summary of Comments Received from the 2008 American Community Survey (ACS) *Federal Register* Notice Posted on January 4, 2007

The Census Bureau received comments from the Bureau of Economic Analysis (BEA), The Brookings Institution, and one individual. The BEA and Brookings Institution were supportive of the ACS and of the modifications to the survey, which were proposed in the *Federal Register* Notice. The individual expressed concern over the necessity of and individual burden to the public related to the collection of ACS data.

Why is the American Community Survey data collection required by law? Isn't this data collection a significant burden to the public?

The American Community Survey replaces the long form data collection that has historically been collected during each decennial census. By replacing this once-adecade data collection with the annual ACS, a full set of national housing and population characteristics are now available to enable local, state and federal governments to establish goals, identify problems and solutions, and measure the performance of programs using up-to-date information. Only a small sample of households from across the U.S. and Puerto Rico is selected to participate in the ACS each year. On average, we estimate that it takes 38 minutes to complete the ACS.

• What is the purpose of the ACS and it's usefulness to the American public?

Communities need data about the well being of children, families, and the elderly to provide services to them. The ACS data are also used to decide where to locate new highways, schools, hospitals, and community centers; to show a large corporate that a town has a workforce the company needs, and many other ways.

The new, proposed health insurance coverage question should be clarified so that self-employed persons who purchase health insurance through their business clearly understand the appropriate category to check. This question should include the State Children's Health Insurance Program (SCHIP) after mention of Medicaid and Medical Assistance – it is sufficiently large enough to warrant specific mention.

The Census Bureau and multiple federal agency stakeholders, including the Department of Health and Human Services and the Department of Veterans Affairs, conducted significant testing to develop the proposed health insurance coverage question for the ACS. The inclusion of SCHIP was discussed but was not recommended for the 2008 ACS.

Why is the Census Bureau considering eliminating the question on seasonal residence?

The Census Bureau included programmatic questions on seasonal residence to collect data to evaluate the potential effects to the ACS estimates of people living in more than one residence during the survey year. We have collected sufficient data to begin this evaluation and have no further need to include this set of questions on the ACS.

• Is the Census Bureau considering revisions to the data on the use of public assistance?

The Census Bureau considered all questions for testing in the 2006 ACS Content Test. Those questions that were determined to need improvement based on data quality issues or changes to federal agency requirements for data were included in the test. The Census Bureau or other federal agencies did not identify the income series of questions as needing modification to increase data quality. The Food Stamp benefit question was included in the 2006 testing and modified for the 2008 ACS.

- How will the Census Bureau provide multi-year averages for small areas using data from two different forms of the questionnaire (household and group quarters)? The Census Bureau is in the process of creating user information related to the upcoming ACS multi-year estimate release. We will be posting this information for the public on the ACS Home Page on the Internet soon.
- Why is the Census Bureau eliminating the Instruction Guide Booklet from the mailing packet?

The Census Bureau included a test of the mailing package without the Instruction Guide Booklet in the 2006 ACS Content Test. The testing resulted in a recommendation to keep the instruction guide booklet as part of the ACS mail packages.