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To: Jennifer Jessup
Departmental Paperwork Clearance Officer
Department of Commerce
Room 6616
14th and Constitution NW
Washington, DC 20230
Via email: jjessup@doc.gov

Dear Ms. Jessup:

We appreciate the opportunity to comment on the Census' important survey of state and local government finances. The information contained in the survey is vital to understanding and monitoring the fiscal health of our state and local governments. The state and local government finance data is critical to our research and is the backbone of projects examining state and local government finance issues. Because, we feel like this data is so important and helpful in understanding state and local budget issues, the Urban-Brookings Tax Policy Center developed, maintains and recently expanded a publicly available tool to access this information and make it easier for the lay person to find out information. Following our work on state finances, the Lincoln Institute of Land Policy has instituted a similar data access device to better understand the finances of large cities. Both of these tools rely on annual state and local government finance data. We are committed to maintaining this tool to disseminate Census information without additional resource burdens for the Census and in general find the Census of Governments data is the gold standard of state and local finance data sources.

Below are some specific points addressing questions raised in the federal register:

- **Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility.**

There has already been degradation in service with the lapse of the Consolidated Federal Funds Report (CFFR) that was the only place to get comprehensive and consistent information on federal spending flowing to the states. Further reduction in the analysis of the surveys the Census undertakes will jeopardize the quality and utility of the information collected. USAspending.gov is an example of a loss of the educated and experienced Census analysts compiling the information in the appropriate way for research.

In addition, at the beginning of this century, the Census of Governments did not survey or produce annual data for state and local governments. The two years skipped 2001 and 2003, ended up corresponding to years of state fiscal stress, the timing of which was hard

to date given the lack of census data. If this pattern had been followed in the aftermath of the Great Recession, this would have led to a decline in especially important information on local governments and property tax revenues as collecting and following property tax levels through other sources would be incredibly difficult.

- **Ways to enhance the quality, utility, and clarity of the information to be collected**

Census should interact with developers of statewide integrated financial management systems to make reporting tools consistent and acceptable to Census survey needs. As states adopt and improve comprehensive systems, Census could impart the need to include all levels of governments in the planning of those systems, which in turn can lower collection costs.

With the implementation of the Affordable Care Act and the increasingly important role of Medicaid in providing health coverage, it would also be useful for there to be information on Medicaid spending included in the data collected. (Right now much of Medicaid spending is split between welfare and health categories.)

- **Ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.**

Given the current state of technology, it should be easier to get more information not less. Every state government and most local governments have integrated databases capturing revenue collections and expenditures. There may be ways for the Census to ease the burden of collecting data by requesting that Census survey templates be included in contract language for the operators/developers of these databases. A possible approach is taken with the Federal Audit Clearinghouse single audits of federal grant spending.

In closing, we cannot stress the importance of the information the Census provides on state and local governments. It is the only consistent and comprehensive data available for state and local fiscal research and helps us inform policymakers at all levels of government. We are happy to talk to you more about these issues.

Thank you,



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