How the Census Bureau’s Largest Sample Survey Benefits America’s Veterans

Background:

The U.S. Census Bureau’s American Community Survey (ACS) is part of the constitutionally required decennial census. While the census counts the population every ten years, the ACS provides detailed information about the nation’s states, counties and cities, towns and rural communities, and neighborhoods every year, giving policymakers an invaluable, timely tool to understand and address the nation’s needs. The ACS samples 3.5 million homes a year (most households will never receive it), producing annual data on education, housing, occupation, disability status, commuting patterns, income and poverty, ethnicity, veterans, and other vital social and economic characteristics. In fact, Congress requested, directly or indirectly, all of the data gathered in the ACS, and reviews the questionnaire each decade (13 U.S.C. §141(f)). Congress uses ACS data to allocate at least $450 billion annually in federal aid to state and local governments. A majority of states also rely on ACS data to set tax and spending limits.

The ACS and Veterans:

The ACS collects data on veteran status, period of military service, and VA service-connected disability rating. Because veterans make up only 10 percent of the U.S. population, the large ACS sample provides the only source of detailed information on veterans at the state and local levels. Specific uses of ACS data to assist the nation’s veterans include:

- Businesses use local ACS data on veterans to target this population for hiring initiatives.
- Community colleges that want to serve veterans can apply for federal Upward Bound grants using ACS data on education, poverty, and veterans.
- The Department of Veterans Affairs (VA) uses ACS data to compare the health care needs of veterans in rural and urban areas.
- The VA uses community-level ACS data on service-connected disabilities to target services to this deserving population.
- Many federal, state, and local government agencies use ACS data on veterans, income and housing characteristics to evaluate the risk of homelessness among veterans, who are over-represented in the nation’s homeless population.

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Issues:

- In the FY2015 Commerce, Justice, and Science Appropriations bill (H.R. 4660), the House cut $238 million (20 percent) from the Census Bureau’s budget request. The House-passed funding level could jeopardize the Census Bureau’s ability to produce reliable ACS data for smaller and less populous areas, leaving many communities without comparable, valid, and objective data about population and housing characteristics.

- The House also voted to make ACS response voluntary, a change from 220 years of census history that would leave 40 percent of U.S. counties, small cities and towns, rural areas, neighborhoods, and American Indian reservations without any ACS data at all!
  
  - A 2003 Census Bureau test of voluntary ACS response showed that response rates would drop and survey costs would increase, both dramatically, jeopardizing the validity and availability of data for many U.S. counties, cities, and towns.
  
  - The Census Bureau would not have an extra $90 million a year to overcome lower response rates, so making response optional will eliminate all data for rural areas, towns, and neighborhoods.

- The ACS is a unique source of information about the nation’s communities. No other federal survey or database provides comparable information. The private sector cannot replicate the ACS, even if the federal survey disappeared. In fact, the ACS is the denominator for most public and private sector surveys, as well as for other core Census Bureau programs.

- Without the ACS, American businesses would lose vital tools to guide capital investment, location of facilities, hiring, and merchandise and service decisions, all of which drive economic growth, job creation, and sustained business success.

- Without a mandatory ACS, Congress would not have the data it needs to allocate grants and other program assistance to rural areas, smaller communities, and less populous counties.

Solution:

To ensure the ACS remains a representative, valid, and comprehensive source of information for the public and private sectors, Congress must fully fund the ACS and not risk losing data for most American communities and counties by making participation optional.