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U.S. CENSUS BUREAU, U.S. DEPARTMENT OF COMMERCE Before the House Oversight and Accountability Committee

> "Oversight of the U.S. Census Bureau" December 5, 2024

Chairman Comer, Ranking Member Raskin, and members of the committee: it is an honor to be here today to highlight the importance of the U.S. Census Bureau's work. I appreciate the opportunity to talk to you about challenges and opportunities facing the Census Bureau in the months and years ahead.

We strongly embrace our nonpartisan mission to provide the public with quality data on our nation's people, places, and economy, and appreciate your partnership in carrying out our mission.

That mission casts a broad net across all types of data. We conduct three types of censuses – population/housing, economic, and governments – and over 130 annual surveys of people, households, businesses, education, and health systems. We collect administrative data from business, tribal, federal, state, and local sources.

We use this data to create statistical products and tools combining economic and population data that are accessible to local jurisdictions and communities and support evidence-based decision making. Census Bureau data were used in distributing more than **\$2.8 trillion** in federal funding in Fiscal Year (FY) 2021. That funding went to states, communities, tribes, territories, and others.

In our work, we are applying the best science, methods, technology, data, and all the rigorous research and testing available to us. Our work is nonpartisan, scientific, and objective.

In carrying out our work, we draw on national and international expertise, conduct extensive quality reviews, and continuously engage with the public and with stakeholders to make our data more relevant.

Today, I would like to give you an update on several important areas of work at our agency.

2020 Census

Although the Census Bureau conducted the 2020 Census during the Trump Administration under the leadership of my predecessor and Secretary Ross, I am immensely proud of the Census Bureau's extraordinary efforts in the facts of unprecedented challenges, including a global pandemic, wildfires, and natural disasters. The 2020 Census used new tools to provide an enumeration of our nation—who we are, where we live, and so much more.

We took a big step forward in the use of technology for the 2020 Census and it paid off more than we anticipated. Our original objective was to modernize the decennial census – to make it more efficient and accessible to the public, and to help the Bureau more strategically deploy its resources. But those innovations also allowed us to adapt to the challenges of the pandemic, hurricanes, and wildfires to successfully complete data collection for the 2020 Census.

The major innovations of the 2020 Census to automate and increase accessibility to the decennial census transformed and modernized how we complete the count of everyone living in the U.S. By moving away from paper-based operations requiring manual procedures and processing, and introducing new online response and telephone options, the Census Bureau fundamentally altered the efficiency of census operations and infrastructure.

The online response option (offered in 13 languages) remained available to respondents throughout the extended data collection period, without a single instance of downtime. A new telephone option provided non-English and non-Spanish language speakers an alternative to responding by mail. We also provided over 700,000 mobile devices to field representatives to receive assignments, plan their routes, and enter responses during in-person interviews.

Due to these efforts, the Census Bureau was able to account for over 99.9 percent of the more than 152 million residential addresses in the nation. Two in every three households responded on their own (67 percent), surpassing the 2010 self-response rate (66.5 percent). Of those households that self-responded, 80 percent did so online. The Bureau collected paper responses (18 percent) and phone responses (2 percent). The Bureau also followed up with households that did not self-respond.

Demographic Characteristics

The 2020 Census also faced many of the same challenges that have persisted across decennial censuses. For example, the 2020 Census very likely undercounted the Black or African American population, the American Indian or Native American population living on a reservation, the Hispanic or Latino population, and people who reported being of Some Other Race, while overcounting the Non-Hispanic White population and the Asian population. The 2020 Census also likely significantly undercounted children, particularly young children who are 4 or younger, as well as renters. Expanding the use of administrative records is a critical part of our planning for the 2030 Census and will help address many persistent challenges including undercounts of young children and other demographic groups. Looking ahead to 2030, we will be working to address ways to increase response rates in "Island Areas."

Going forward, we are committed to building on the excellent work that was done in the 2020 Census, reviewing lessons learned, and renewing our efforts to address longstanding challenges.

2030 Census Planning

Looking ahead to the 2030 Census, our goal is to count everyone once, only once, and in the right place, while continuing to build upon our successful innovations.

The testing strategy for the 2030 Census enhances operations and technologies that worked for the 2020 Census, introduces innovations through small-scale testing, expands systems and methods, and ensures the integration of improved features.

Through 2023 and 2024, we have fielded four small-scale tests that have been crucial for our research on design enhancements for the 2030 Census, and we plan to continue these efforts throughout the remainder of the decade leading to 2030. We will then conduct two major field tests – 2026 Census Test and 2028 Dress Rehearsal – to integrate new and enhanced features and ensure end-to-end operational viability and cohesion.

The first major field test, the 2026 Census Test, will be based on the first operational design. We'll test the proposed new and enhanced systems and methods and evaluate them to ensure both feasibility and a cohesive census design. We will also collect data for future response and cost models for our census operations.

After the 2026 Census Test, we will have time to review the results and make necessary adjustments before we deploy our operations and systems again in the 2028 Dress Rehearsal. The 2028 Dress Rehearsal involves the start-to-finish run of operations and hand-offs between them. It is the last chance to fine-tune processes and systems and ensure readiness before the 2030 Census implementation.

We recognize that public trust in the Census Bureau, and the federal government generally, was a major issue during the 2020 Census. We also know that communities listen to trusted messengers. That's why public engagement with critical stakeholders, including members of Congress, has been a high priority since my term as director began in 2022.

Our strategy is one of continuous, consistent engagement across all years in a decade, not just in the few years preceding a census. As we engage the public, we strive to show the value of our data: how it can directly help communities in preparing needs assessments and economic development plans, responding to natural disasters, conducting infrastructure reviews, and so forth. By empowering communities with high quality data, we're nurturing the partnerships that proved so valuable for the 2020 Census – and we're building new ones as we look ahead to 2030.

American Community Survey

The Census Bureau's <u>American Community Survey (ACS)</u> serves as the premier source for detailed population and housing information for communities across the 50 states and the District of Columbia. ACS data provide vital information about their demographic, social, economic, and housing realities, and is the only reliable source of comparable information *about the people*

across those communities and how they are changing. These data were previously collected as part of the decennial census every 10 years. By collecting this data on a regular basis, we are able to provide more timely data to governments, businesses, and communities across the nation. Numerous federal laws require information about the nation's population and housing to allocate formula grants to establish eligibility for programs. People in state and local regions also use the wealth of information provided by the ACS for a wide variety of purposes, including comprehensive planning, economic development, emergency management, and broadening understanding about local issues and conditions.

In September 2024, we released the <u>2023 ACS 1-year estimates</u>, which provide estimates for every state, the District of Columbia, Puerto Rico, all congressional districts and metropolitan statistical areas, and other geographic areas with populations of 65,000 or more. In October 2024, we released the 2023 ACS 1-year Public Use Microdata Sample files and Supplemental Estimates (on October 17, 2024) that allow data users to conduct a custom analysis.

In January 2024, we launched an online response option for residents living in non-institutional group quarters (e.g., college/university housing, military barracks, group homes, religious group quarters, Job Corps centers, and workers' group living quarters) to respond to the ACS online using a computer or mobile device.

We also held a convening on disability measurement in September 2024 to meet with more than 100 disability community stakeholders, co-hosted with the Office of Management and Budget, the National Center for Health Statistics, the National Council on Disability, The Leadership Conference Education Fund, and the Consortium for Constituents with Disabilities' Health Task Force. Public feedback in response to proposed changes to the ACS disability questions prompted this gathering. Yet, it is starkly apparent the issues we must address go beyond the ACS questions and involve various federal agencies.

Transformation and Modernization

Looking ahead, I see the Census Bureau continuing its legacy as an agency of innovation, continuously transforming and advancing to keep up with technology and emerging socioeconomic trends. While we face significant challenges, we have the talent, tenacity, and teams to overcome them and deliver the high-quality, trusted data our nation and economy needs.

In confronting these challenges, we are reimagining the entire value chain of producing official statistics. The Census Bureau's <u>Transformation Initiative</u>, led by Deputy Director and Chief Operating Officer Ron Jarmin, reflects a diverse set of efforts – from the large and visible to the small but impactful – that all aim to address challenges like declining survey response rates and to leverage opportunities like new non-survey data sources to produce accurate, timely, and actionable data products for our data users.

¹ In addition to the ACS, the Census Bureau conducts a Puerto Rico Community Survey. There are no comparable surveys for the American Samoa, U.S. Virgin Island, the Commonwealth of The Northern Mariana Islands, or Guam.

The Census Bureau has made substantial progress on our transformation efforts during the past two years, in areas including:

Statistical Product First. To better meet the nation's complex and diverse informational needs, the Census Bureau is changing how it designs and provides statistical data products. By moving to a "Statistical Product First" approach, we can better provide information the public wants and needs to meet its objectives.

This approach depends on in-depth, ongoing dialogue with our data users and the public. Instead of limiting ourselves to the statistics our censuses and surveys produce, we're widening our lens and working across programs to develop statistical products informed by what stakeholders need our statistics to support.

Adopting Statistical Product First means a total change in workflow. The Census Bureau is reenvisioning its data enterprise to support a workflow model for this new approach. A key part of that is finding out what *purposes and uses* people need Census Bureau statistics to support. This then drives the development of the statistical products through an iterative process – a continuous journey.

Current Population Survey Modernization. Along with our partner, the Bureau of Labor Statistics, we are launching a multi-year effort to modernize the Current Population Survey (CPS) to ensure long-term sustainability. Since the Great Depression, CPS data have been used to derive the nation's unemployment rate, among other critical measures that help us gauge how American households are doing economically.

Over the years, the CPS has made modifications to measure the ever-changing population and labor force characteristics of the United States and has implemented the latest in survey methodology practices. The last major change to the CPS was in the early 1990s when it went from paper data collection to computer-assisted interviewing.

Today, the CPS, like many surveys, is experiencing declining response rates. By adding a new internet self-response mode, we hope to increase or, at the very least, stabilize response rates. A longer-run strategy is to explore other possible data sources to support estimates from the CPS.

Annual Integrated Economic Survey. A further example of our transformation is the Annual Integrated Economic Survey (AIES), the Census Bureau's newest innovative annual survey. This March, the 2023 AIES was launched to more than 370,000 businesses across the country, and data will be released beginning July 2025.

The AIES is one way we're improving our data collection to produce higher-quality, timelier results; reduce respondent burden; and allow the Census Bureau to operate more efficiently. The AIES replaces seven surveys:

- Annual Retail Trade Survey (ARTS)
- Annual Wholesale Trade Survey (AWTS)
- Service Annual Survey (SAS)
- Annual Survey of Manufactures (ASM)
- Annual Capital Expenditures Survey (ACES)

- Manufacturers' Unfilled Orders Survey (M3UFO)
- Report of Organization (COS)

This means a more streamlined process that cuts back on the number of requests businesses may receive to participate in surveys. We'll now collect all the information at one time, eliminating duplicate requests and harmonizing content and reporting units.

Today's technology allows us to use a wide variety of survey, administrative, and other data—often data we have already collected. This allows us to respond more effectively to the rapidly evolving needs of the nation. The AIES is the first production survey to implement key elements of our modernized <u>Business Ecosystem</u>. This is a key milestone in our broader transformation efforts as we look forward to the 2030 Census.

2022 Economic Census. The 2022 Economic Census began data collection at the end of January 2023 and wrapped up in November 2023. This census gathered figures on over 8 million business establishments with paid employees, with approximately 4 million responses coming from direct data collection and the rest of the data – mostly on small businesses – from high-quality administrative records.

The <u>First Look</u> data were published ahead of schedule in January 2024, providing a macro view of the U.S. economy. High-level numbers show there were just over 8 million establishments with paid employees in 2022, up from 7.6 million establishments in 2017 and 7.1 million establishments in 2012. These establishments had 140 million employees with an annual payroll of \$8.6 trillion.

Future economic census data are set to be released on a flow basis through early 2026. The next release will include data based on geographic areas with subsequent releases covering products and services provided by industry and industry-specific topics. In addition, we have accelerated the release of the Island Areas' data. The data for Guam, American Samoa, Commonwealth of the Northern Mariana Islands were released in June of 2024, U.S. Virgin Islands was released in July of 2024, and Puerto Rico is scheduled to be released at the end of the year.

Puerto Rico Federal Statistical Research Data Center. The opening of the Puerto Rico Federal Statistical Research Data Center (PR FSRDC) is a monumental achievement that marks a new era for data-driven research and innovation in the territory. This center, which officially opens this fall, is a bold step forward in our mission to expand the reach and impact of statistical data in Puerto Rico.

As the first Federal Statistical Research Data Center in a U.S. territory, the PR FSRDC will empower local researchers with unprecedented access to restricted-use microdata from a wide array of federal agencies including the Census Bureau. FSRDCs provide secure environments supporting qualified researchers using restricted-access data while protecting respondent confidentiality in accordance with statutory and regulatory requirements. The data available will enable researchers to explore new, previously unanswerable questions about our society, economy, public health systems and more.

Whether addressing complex policy challenges or contributing to global research, Puerto Rican scholars will now have the tools to conduct high-impact studies, just like their peers in mainland institutions, to inform policy and decision-makers.

Expanding Access to Data Tools. Through our expanding array of tools, we seek to make access to our data easier than ever. At <u>data.census.gov</u>, one can access our treasure trove of data and content in a single platform and <u>browse by topic</u> or download <u>datasets</u>. We're continuously looking for the best ways to get you the data you need through conferences, webinars, trainings, advisory committee meetings and other forums.

We have a host of innovative <u>data tools</u> and <u>apps</u> like <u>My Community Explorer</u>, <u>Census Business Builder</u>, <u>ACCESS BROADBAND database</u>, and the <u>Opportunity Atlas</u>. We are continuously rolling out data and news products in our <u>newsroom</u> and, to make our data more digestible, we have fact sheets and infographics and visualizations.

Tribal Affairs and Engagement

American Indian and Alaska Native (AIAN) communities and Tribal Nations use Census Bureau statistics to understand tribes' demographics, challenges, accomplishments, and needs. Tribal statistical products are used widely for public health, economic planning, and many other important purposes. Federal funding for tribal programs often relies on statistics developed by the Census Bureau for Tribal Nations. For these reasons, we're committed to improving tribal statistics.

Since 2022, we have made great strides in strengthening our nation-to-nation relationships – through methods including tribal consultations, listening sessions, the establishment of our continuous, on-the-ground Tribal Relations Program, and engaging the AIAN community in designing new experimental statistical products.

These efforts led to an historic agreement with the Osage Nation to share information for the benefit of the Osage people. We now have a framework for the Osage Nation to share aggregated administrative data directly with the Census Bureau on topics like education, military service, household information, employment, health and wellness, housing, income, and expenses.

This agreement allows us to better serve the Osage Nation by creating more accurate and relevant statistical data products for their use in governance, resource management, and planning. Expanding the data sources we use is just one way we're innovating to improve our coverage and quality. We're researching how administrative data can be used to fill in data gaps, especially among historically undercounted populations. Gaining access to the Osage Nation's data will help us explore new ways to boost data quality, reduce respondent burden, streamline our operations, and save taxpayer dollars.

This agreement marks a significant milestone of collaboration and trust between the Census Bureau and Tribal Nations. We are deeply honored to be able to cooperate and work together through this agreement.

Building on our successful efforts with the Osage Nation, we have additional efforts underway with over 10 other tribal nations to establish similar data sharing agreements, including a recently signed Memorandum of Understanding with the St. Regis Mohawk Nation in New York.

In addition to efforts on data sharing agreements, the Geography Division (GEO) is engaging and collaborating with the Navajo Nation on several fronts. The Navajo Nation Addressing Pilot Program, for example, is a pilot in which GEO staff are working with the rural addressing manager of the Navajo Nation, who has special sworn status, to compare their address list with the Census address list to identify new housing units, ensure correct location, and eliminate duplicates. The process involves sitting together and reviewing address and geographic data to identify where discrepancies exist and identifying resolution for those discrepancies.

Additionally, as part of this engagement, we are also working with members of Navajo Nation to identify and name roads that lead to multiple housing units. This work is establishing the foundation for how we might successfully work with other tribal nations and is a critical component of our efforts to improve our address frame for tribal nations.

Our efforts to build nation-to-nation relationships with Tribal Nations have spanned decades. We are proud of the progress we have made, while recognizing that we can benefit from more and stronger ties. I'm so pleased that <u>our outreach and engagement efforts with Tribal Nations and the AIAN community</u> are bearing fruit and paving the way for better data products that support partners across Indian Country. By working together, we can produce more useful statistics about the AIAN population and better meet its needs.

Conclusion

Thank you for the opportunity to appear before this committee to discuss challenges and opportunities facing the Census Bureau.

Just as there were challenges in 2020 that we could not foresee in 2014, new challenges will come into focus as 2030 approaches. That is why we rely increasingly on stakeholders and partners around the country who remain dedicated to educating the public about our work and motivating them to respond to our censuses and surveys. They are committed to finding new ways to carry trusted messages into their communities and we have continued and expanded our engagement with them. Members of Congress continue to play essential roles in building public trust in our work.

During my confirmation hearing, I reflected on why I accepted this appointment. I said then that I did so because "I care deeply about this country... and I want to give back to a Nation that has given me so much... The Census Bureau provides the data that weaves us all together to form a more perfect union." With about two years remaining in my five-year term, my commitment to our vital public service mission and pride in the accomplishments of its employees is stronger than ever.

Thank you, and I look forward to your questions.